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DOMINION OF CANADA

Canada
AGRICULTURAL SUPPLIES BOARD
and
AGRICULTURAL FOOD BOARD

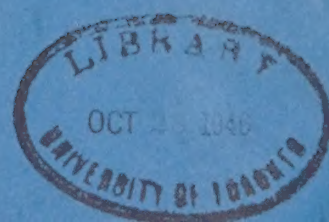
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Report for year ended 31 March, 1946.

1945/46

Together with Reviews of Activities of:-

Dairy Products Board
Meat Board
Special Products Board

Dominion Department of Agriculture
Confederation Building
Ottawa



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AGRICULTURAL SUPPLIES BOARD

and

AGRICULTURAL FOOD BOARD

Report for the Year Ended March 31, 1946.

In the following pages the seventh Annual Report of the Agricultural Supplies Board is presented, and the third Annual Report of the Agricultural Food Board. The activities of the Dairy Products Board, the Meat Board and the Special Products Board are also reviewed.

An Appendix is included showing the main financial assistance extended through the Agricultural Supplies Board since the outbreak of war and also the quantity and value of products exported to Great Britain and allied countries by the various Commodity Boards.

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AGRICULTURAL SUPPLIES BOARD

This is the first annual report of the Board since the close of World War II, and the seventh since the Board was established on September 9, 1939. The end of the war, however, did not lessen the demand for food-stuffs, indeed the requirements of liberated and occupied countries increased the call upon Canadian agriculture. The Board continued its activities in directing agricultural production to the commodities required most urgently overseas and at home, and took steps to assure that supplies required, such as seeds, feeds, and fertilizers were available.

Dominion-Provincial Agricultural Production Conference.- This Conference was held early in December, 1945, and it was again possible to present to the delegates a reasonably definite production program for 1946 based on the known food requirements. It was the fourth annual Conference called since the war to discuss agricultural production and the supplies required for the succeeding year, and to arrange for a definite production program for the whole of Canada.

The Conference followed closely the procedure of previous years, and preliminary reports on each commodity were prepared and distributed to the official delegates prior to the Conference. The work of preparing this material was done by a central committee representative of the Department of Agriculture, Department of Trade and Commerce, Wartime Prices and Trade Board, and other government departments directly concerned with food requirements. It was attended by officials of Provincial Departments of Agriculture, as well as representatives of farmers' organizations and of the farm press. The Dominion Government was represented at the Conference by the Hon. J. G. Gardiner, Minister of Agriculture, officials of the Agricultural Supplies Board, the Wartime Prices and Trade Board, and by members of the various committees that had prepared the reports presented for consideration. On the final day, the ministers of agriculture of most of the provincial governments were present.

Because of the importance of labour in the agricultural program officials of the agricultural division of the Department of Labour, including provincial and regional officers, attended and among the opening addresses was one by Dr. Arthur MacNamara, Director of National Selective Service.

A preliminary statement of the 1946 agricultural requirements was released immediately after the Conference and later all the commodity reports together with suggested production recommendations were printed. The printed material was distributed through provincial departments of agriculture and other official agencies and to farm organizations to act as a guide to agricultural workers in planning the farm program for 1946.

Organization.- The organization of the Board remained substantially the same as in previous years with administrators responsible to the Board for supplies of seeds, feeds, fertilizers and pesticides, and fibre flax. As in previous years the Administrators acted under the Wartime Prices and Trade Board in matters relating to price ceiling policies. During the year the Technical Adviser on Equipment and Containers, who had been on loan to the Board from the Central Experimental Farm, returned to his normal duties and in view of the near completion of all contracts for dehydrated vegetables, the Board was able to release its Technical Adviser on Fruit and Vegetable processing.

CO-OPERATION WITH THE PROVINCES

Bonus on Clean Wool.- This program, which was first approved to apply to the 1943 wool clip, was continued for the clip of 1945. Under it the Dominion Government contributes an equal share (not exceeding 2¢ a pound) with any

provincial government which pays a bonus on wool prepared in accordance with specified regulations as to cleanliness and method of wrapping the fleece, The object of the bonus is not necessarily to obtain a greater quantity of wool, but rather to emphasize the importance to the farmer of improving the quality of the Canadian wool clip. The expenditure for the 1945 clip was \$137,785.62.

Oil-bearing Crops. - As adequate supplies of both rape and sunflower seed for seeding were available, it was not necessary to purchase any seed as was done in 1942 and 1943. In order to assist in meeting oil seed requirements an announcement was made by the Government during March 1946 of the guaranteed prices for these crops for the 1946-47 crop year. The announcement was to the effect that rape seed and sunflower seed would remain at 6¢ a pound and 5¢ a pound respectively for top grades, basis country shipping points, and the price for flax seed would be advanced 50¢ a bushel to \$3.25 a bushel basis No. 1 CW in store Fort William/Port Arthur or Vancouver.

Home and Community Gardens. - Through the co-operation of Provincial Departments of Agriculture and local organizations such as municipal councils, horticultural societies, and women's institutes, a wartime gardening campaign was undertaken in 1945. While no special advertising was considered necessary by the Board to encourage home and community gardens, reprints of the Board's pamphlets "The Wartime Garden" and "Control of Insects and Diseases in Vegetable Gardens" were made in order to supply requests.

Livestock Feeding. - The policy of freight assistance on the movement of western grown grains and millfeeds derived therefrom, from Fort William east and from Calgary and Edmonton west, for livestock feedings was continued throughout the year, as was the plan to store western feeds in Eastern Canada. In order to meet a threatened shortage of feed grains in the Prairie Provinces, arrangements were made during the year for reserve stocks of oats and barley to be held at Edmonton, Calgary, Saskatoon and Moose Jaw. The supplies held at Edmonton and Calgary are also for the protection of the British Columbia Livestock feeding program as well as that of Alberta. The subsidy on certain of the lower grades of wheat when used for livestock feed was also maintained. These programs are reviewed in more detail in the section of the Feeds Administrator.

Fertilizers Subventions. - The plan mentioned in the last report of the Board to equalize transportation costs in order to enable farmers, whatever their location, to obtain fertilizers of the same kind and grade at approximately the same cost per ton, was continued throughout the fertilizer year terminating 30th June, 1946.

Agricultural Lime. - The financial assistance to certain provincial governments undertaking an agricultural lime program was continued. Under this policy the Dominion Government pays one half of the production and distribution costs incurred by the Provincial Government. A more complete review of the Fertilizers and lime policies is included in the section of the Fertilizers and Pesticides Administration.

Dominion-Provincial Seed Program. - The program for the production of certain field, root and vegetable garden seeds which are ordinarily imported into Canada, was not continued with respect to the 1946 annuals and 1947 biennials. The measure was initiated early in the war years to insure that sufficient seed was produced in Canada for Canadian needs. The activities of the Seeds Administrator are reviewed elsewhere in this report.

Fibre Flax. - The arrangement whereby all flax fibre and tow, with the exception of the quantity needed for the Canadian domestic trade, is shipped to Great Britain or the United States of America, terminates in September 1946. A review of the Flax Fibre Administration appears later in this report; and the quantities of flax exported is given in the report of the Special Products Board.

SUPPLIES TO THE UNITED KINGDOM

The Board has the general responsibility of directing agricultural production so far as possible to those farm enterprises, which will make available the farm products most needed on the domestic market and for export commitments to Great Britain and other countries. The Board is also responsible for making available supplies required for this production. The actual purchase and forwarding of the products is the responsibility of the Meat Board, Dairy Products Board, and the Special Products Board. As reviews of the activities of these Boards are included in this report it is not necessary to make any additional comment under this section.

MISCELLANEOUS

Regulation of the Export of Seed Potatoes.- Certified seed potatoes including Foundation and Foundation A were kept under export permit as in previous years. This action was taken to assure that sufficient seed remained in Canada.

Vegetable Dehydration.- With the termination of hostilities the British Ministry of Food did not renew any contracts for dehydrated vegetables, and only those vegetables in course of being processed were completed and shipped by the Special Products Board.

Whey for Penicillin.- The demand for whey for the production of milk sugar to be used in the preparation of the new drug penicillin increased in 1945. Two years ago, milk sugar was only one of the products added to the culture which grows and develops penicillin. Today, sugar has become one of the basic ingredients in its production as it increases the yield of the drug, enhances its keeping qualities, and increases the stimulating effect upon the patient. This outlet for milk sugar is expanding and present requirements of Canadian penicillin plants are about 100 tons per month. Some penicillin manufacturers are also making streptomycin, in the manufacture of which the same culture is used. This drug, however, needs a greater quantity of milk sugar per unit than is required in the production of penicillin.

During the year ending 31st March, 1946, some 1500 farmers in Ontario and Quebec provided 88 million pounds of whey, which produced about 800 tons of milk sugar, the bulk of which was used in the manufacture of penicillin, and 1700 tons of whey powder used in the preparation of poultry and livestock feeds. It is estimated that Canadian farmers received \$125,000. from the sale of this whey. In addition, because of the strict hygienic requirements of whey buyers, cheese factories washed and sterilized the milk cans used, with the result that the output of high score cheese at most factories has increased. This has, of course, meant a higher price for cheese to factory buyers.

A development of interest to agriculture is the experimental work now being undertaken with penicillin in treating animal and poultry diseases. This is particularly so, as through mass production and improved production methods, the price of the drug has been reduced to an extent that it is reasonably economical for use in treating animal diseases.

Feeder Lambs and Feeder Cattle.- In order to assist in the movement of feeder cattle and feeder lambs from dried out areas in the provinces of Alberta and Saskatchewan to areas in other parts of the Dominion where feed was more abundant, a policy of freight assistance was authorized during the year whereby 50 percent of the actual freight charges were paid on carload shipments of feeder cattle and feeder lambs shipped under this arrangement. To qualify for this freight refund, the applicant was required to certify that the stock

had been moved between October 1, 1945, and December 31, 1945, and had been retained in his ownership for a period of three months from date of shipment in the case of cattle, and for a period of two months from date of shipment in the case of lambs.

Under the policy 846 cattle and 35,848 lambs from dried out areas in Alberta, and 2,635 cattle and 39,575 lambs from dried out areas in Saskatchewan were moved to areas where feed was more abundant. Almost all of the cattle moved to Ontario with small numbers to Quebec and Alberta. Of the sheep, 26,180 came to Ontario and 48,643 went to Alberta, with the remaining 600 moving to Manitoba and Saskatchewan.

Keeping the Public Informed. - Special publicity releases were made through the press respecting any developments in connection with production and supply, and statements of special interest to Provincial and Dominion Governments and agricultural fieldmen were prepared for distribution. A series of newspaper advertisements appeared throughout the year dealing with the continued need for bacon for Great Britain and also for milk to meet requirements for cheese in that country.

ASSISTANCE IN APPLE MARKETING

Assistance was continued to the apple growers of Nova Scotia and British Columbia to offset the loss of overseas markets, particularly in Great Britain, since the outbreak of war. The apple crop in 1945 was a particularly poor one, Nova Scotia's crop only being about 25 percent of normal, and large surpluses did not develop in either province. The agreements for marketing the 1945 crop were briefly as follows:

British Columbia. - Assistance to the British Columbia growers was directed toward making any surplus available to consumers on the Prairie Provinces by undertaking to compensate the growers on the first million boxes of fresh apples sold in Western Canada, at prices approved by the Minister, the amount by which the various packs averaged less than an amount specified in the agreement. As mentioned above there were no surplus apples in British Columbia, and all the crop was sold without any assistance from the Government.

Nova Scotia. - The Dominion Government undertook: 1. to pay Industry Assistance on the production of choice quality evaporated apple to the amount of nine cents per pound for a maximum quantity of 15,070,000 pounds; provided, however, that the quantity to be eligible for Industry Assistance should be reduced by: (a) 13.7 pounds for each barrel of fresh apples sold outside of Canada, Newfoundland and the Gulf Islands; (b) the total sales of evaporated apple outside of Canada and Newfoundland and the Gulf Islands other than the United Kingdom Ministry of Food; 2. to purchase as found warranted at 19 $\frac{3}{4}$ cents per pound f.o.b. processing plant, or 20 cents per pound f.a.s., Halifax, any quantity not exceeding 9,000,000 pounds of choice quality evaporated apple. The Nova Scotia Apple Marketing Board undertook to market in Canada and Newfoundland a maximum quantity of 250,000 barrels of apples for fresh consumption. Owing to the very poor crop in Nova Scotia, the quantity of apples coming under the Agreement was small and the assistance given by the Government only amounted to approximately \$100,000.

SAFEGUARDING SUPPLIES NEEDED IN PRODUCTION

FEEDS ADMINISTRATION

The livestock feed situation throughout 1945 remained difficult. Requests from UNRRA for grains suitable for human consumption for relief purposes, served to further complicate an already rather short supply situation. This was particularly true of the lower grades of wheat and barley.

During September feed shortages threatened in certain areas in Saskatchewan owing to deterioration of the crops, and the possibility arose that this might leave Alberta and British Columbia in a short position. Millfeeds and protein feeds remained in short supply in relation to demand and they were distributed as equitably as possible. The freight assistance policy and the subsidy on wheat used for feed was continued throughout the year and the policy of establishing reserve stocks of grain did much to facilitate equitable distribution throughout the year.

Reserve Stocks of Feed Grains.- This plan was originated in 1943 to build up reserve stocks of feed grains at Fort William/Port Arthur or in Eastern Canada as an emergency supply and particularly with the object of relieving pressure on the transportation facilities, which might well become tied up during the winter months. As mentioned above, deterioration of crops in Saskatchewan threatened a feed shortage not only in certain areas of that province, but aroused concern for the livestock feeding program in Alberta and British Columbia. It was decided, therefore, that in addition to holding reserves at the Lakehead and in Eastern Canada, stocks should be accumulated at Edmonton, Calgary, Moose Jaw and Saskatoon to meet emergencies in the West.

A survey of the supply situation indicated that there would only be sufficient barley to meet domestic requirements until the 1946 crop was harvested. Under these circumstances the export of this grain was prohibited, and all barley not required immediately for domestic purposes was taken into the Government reserve grain stock. At the date of this Report the reserve stock of barley amounts to 7.3 million bushels.

The situation in regard to wheat was such that no reserves were accumulated. The demand for feeding wheat throughout the year was greater than the supply and feeders were advised to reduce the quantity of wheat used by substituting other grains. It is questionable whether sufficient feeding wheat will be available to meet the demand between now and next harvest, unless, of course, a drastic reduction is made in its use by dealers and feeders. The wheat situation, of course, has made it quite impossible to build up any tangible reserve supply through establishment of stocks under government control such as has been done with oats and barley.

Because of the shortage of wheat, and the very close adjustment between supply and demand of barley, only oats remained to fill out feeding requirements. The figures on oats at the beginning of the crop year 1945-46 revealed that based on reliable estimates there would be a reasonable surplus. However, with the critical shortage of wheat, and the limited supplies of barley it was decided that export of oats would have to be curtailed. This has been done and since the beginning of the crop year only ten million bushels have been authorized for export.

A summary of the reserve stocks at 31st March, 1946, is as follows:

	<u>Wheat</u> bus.	<u>Oats</u> bus.	<u>Barley</u> bus.
Eastern Canada	100,000	2,500,000	2,200,000
Fort William/Port Arthur	-	10,900,000	3,500,000
Moose Jaw/Saskatoon	-	290,000	96,000
Edmonton/Calgary	-	600,000	1,500,000
Total	100,000	14,290,000	7,296,000

Freight Assistance on Western Feed Grain.- This program was continued throughout the year and provides for the payment of freight on western grown grains and millfeeds made from western wheat moving from Fort William/Port Arthur to points in Eastern Canada, and from Calgary/Edmonton, whichever is the lesser, to points in British Columbia. Up to the end of the fiscal year \$64 million has been paid in freight assistance since the inception of the policy in October, 1941.

The following table shows the amount paid in freight assistance in each province against claims received from the effective date of the policy to March 31, 1946:

AMOUNT PAID IN FREIGHT ASSISTANCE

EASTERN PROVINCES, FROM OCTOBER, 1941, TO MARCH 31, 1946.

BRITISH COLUMBIA FROM NOVEMBER 18, 1941, TO MARCH, 1946.

	<u>Tons</u>	<u>Amount</u>	<u>Average Rate per Ton</u>
Ontario	5,283,573	\$23,776,078.50	\$4.50
Quebec	4,344,533	23,242,838.12	5.3499
New Brunswick	541,757	4,063,177.50	7.50
Nova Scotia	644,440	5,219,964.00	8.10
Prince Edward Island	179,067	1,468,349.40	8.20
Eastern Canada	10,993,370	57,770,407.52	5.254
British Columbia	971,505	6,221,672.19	6.4041
	11,964,875	\$63,992,079.71	-

The tables below show the total amount of each kind of Western grain and feed on which freight assistance claims were paid from the inception of the policy to the fiscal year ending March 31st, 1946; also the percentage of each kind of grain and feed:

SUMMARY EASTERN CANADA FREIGHT ASSISTANCE CLAIMS PAID FROM

OCTOBER 1941 TO MARCH 31st, 1946.

	<u>Wheat</u> cwt.	<u>Oats</u> cwt.	<u>Barley</u> cwt.	<u>Rye</u> cwt.	<u>Screenings</u> cwt.	<u>Millfeeds</u> cwt.
Ontario	29,745,948	28,321,693	25,029,291	610,926	3,065,102	18,898,5
Quebec	19,110,916	17,534,084	22,454,336	154,920	1,637,921	25,998,5
N. B.	2,059,993	2,244,940	2,222,638	19,830	143,434	4,144,3
N. S.	2,790,817	2,542,051	2,884,137	18,616	60,106	4,593,0
P.E.I.	1,103,020	492,272	896,836	2,984	10,858	1,075,3
Total	54,810,694	51,134,980	53,487,238	807,276	4,917,421	54,709,8

	<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Tons</u>	<u>Tons</u>
Total	91,351,157	150,397,000	111,431,746	1,441,564	245,871	2,735,491

<u>PERCENTAGE</u>					
24.9289	23.2572	24.327	.3672	2.2366	24.8831

SUMMARY BRITISH COLUMBIA FREIGHT ASSISTANCE CLAIMS PAID FROM
NOVEMBER 1941 to MARCH 31st, 1946.

<u>Wheat</u> <u>cwt.</u>	<u>Oats</u> <u>cwt.</u>	<u>Barley</u> <u>cwt.</u>	<u>Rye</u> <u>cwt.</u>	<u>Corn</u> <u>cwt.</u>	<u>Screenings</u> <u>cwt.</u>	<u>Millfeeds</u> <u>cwt.</u>
8,170,656	3,854,480	2,172,240	280	453,576	187,336	4,591,527

<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Bushels</u>	<u>Tons</u>	<u>Tons</u>
13,617,760	11,336,706	4,525,500	500	809,957	9,367	229,576

<u>PERCENTAGE</u>					
42.0516	19.8377	11.1798	.0014	2.3344	23.6309

KINDS OF GRAIN AND MILLFEEDS BY PERCENTAGE FOR EACH PROVINCE ON WHICH
FREIGHT ASSISTANCE WAS PAID FROM OCTOBER, 1941 to MARCH 31, 1946.

	<u>Wheat</u> <u>%</u>	<u>Oats</u> <u>%</u>	<u>Barley</u> <u>%</u>	<u>Rye</u> <u>%</u>	<u>Corn</u> <u>%</u>	<u>Screenings</u> <u>%</u>	<u>Millfeeds</u> <u>%</u>	<u>Total</u> <u>%</u>
Ontario	28.1495	26.8016	23.686	.578	-	2.9007	17.8842	100
Quebec	21.9942	20.1793	25.8426	.1782	-	1.8849	29.9208	100
N. B.	19.0122	20.7191	20.5133	.1339	-	1.3238	38.2487	100
N. S.	21.6531	19.723	22.3771	.1445	-	.4663	35.636	100
P. E. I.	30.7991	13.7452	25.042	.0832	-	.3032	30.0273	100
B. C.	42.0516	19.8377	11.1798	.0014	2.3344	.9642	23.6309	100

COMPARISON OF FREIGHT ASSISTANCE ON WESTERN GRAIN AND FEED SHIPPED INTO EASTERN CANADA AND BRITISH COLUMBIA DURING THE FISCAL YEARS 1942-43, 1943-44, 1944-45 and 1945-46.

Fiscal Year 1942-43

	Wheat Bus.	Oats Bus.	Barley Bus.	Rye Bus.	Corn Bus.	Screenings Tons	Millfeeds Tons
Ontario	8,011,380	7,044,073	5,339,458	489,280	-	26,056	181,671
Quebec	5,764,235	6,380,900	5,808,273	144,545	-	19,554	304,935
N. B.	576,218	1,038,953	653,594	24,739	-	1,458	42,907
Nova Scotia	790,950	1,238,156	1,326,627	21,955	-	979	48,480
P. E. I.	336,668	297,647	351,696	3,811	-	188	10,868
Total Eastern Canada	15,479,451	15,999,729	13,479,648	684,330	-	48,225	588,861
B. C.	2,221,233	1,536,047	744,510	127	241,955	3,392	37,946
	Eastern Canada						\$ 9,170,855.58
	British Columbia						\$ 1,003,856.01
	Total						\$10,174,711.59

Fiscal Year 1943-44

	Wheat Bus.	Oats Bus.	Barley Bus.	Rye Bus.	Corn Bus.	Screenings Tons	Millfeeds Tons
Ontario	14,015,551	30,030,826	17,946,979	191,093	-	31,474	244,179
Quebec	8,324,166	12,394,194	13,710,413	93,218	-	9,650	301,959
N. B.	879,842	1,690,609	1,277,317	6,846	-	786	49,508
Nova Scotia	1,453,755	1,863,500	1,658,235	1,686	-	444	54,239
P. E. I.	582,812	482,426	611,339	1,036	-	64	14,949
Total Eastern Canada	25,256,126	46,461,555	35,204,283	293,879	-	42,418	664,834
B. C.	3,425,382	2,743,062	1,258,740		146,059	1,183	61,315
	Eastern Canada						\$16,127,707.25
	British Columbia						\$ 1,570,514.12
	Total						\$17,698,221.37

Fiscal Year 1944-45 *

	Wheat Bus.	Oats Bus.	Barley Bus.	Rye Bus.	Corn Bus.	Screenings Tons	Millfeeds Tons
Ontario	11,465,515	19,147,853	12,980,125	34,391	-	35,739	230,491
Quebec	7,884,808	14,069,815	13,718,929	30,648	-	21,813	289,119
N. B.	829,395	1,564,591	1,294,439	150	-	2,189	49,666
Nova Scotia	1,239,392	1,951,959	1,458,973	130	-	529	59,886
P. E. I.	401,700	251,391	398,746		-	196	12,053
Total Eastern Canada	21,815,810	36,985,609	29,851,212	65,319	-	60,466	641,215
B. C.	3,791,677	3,143,600	1,275,642	36	153,984	2,063	62,506
	Eastern Canada						\$14,254,190.12
	British Columbia						\$ 1,707,896.62
	Total						\$15,962,086.74

* Revised since
last report

Fiscal Year 1945-46

	Wheat Bus.	Oats Bus.	Barley Bus.	Rye Bus.	Corn Bus.	Screenings Tons	Millfeeds Tons
Ontario	11,988,607	21,766,415	12,368,827	2,561	-	36,142	218,328
Quebec	8,160,622	15,238,997	11,109,650	2,198	-	16,866	283,256
N. B.	870,805	1,835,544	1,204,353	-	-	2,321	47,573
Nova Scotia	947,852	1,964,323	1,255,123	70	-	717	48,855
P. E. I.	456,693	390,779	439,114	-	-	43	12,837
Total Eastern Canada	22,424,589	41,196,058	26,377,057	4,829	-	56,089	610,849
B. C.	3,347,118	3,244,973	1,009,053	-	145,204	2,126	55,569
* Subject to Revision		Eastern Canada	\$14,019,142.58				
		British Columbia	\$ 1,546,948.78				
		Total	\$15,566,091.36				

Feed Wheat Payment Policy.- This program, started in 1942, was continued throughout the year and provides for a subsidy on wheat grown in Western Canada when used as feed for livestock. Its purpose is to offset the increased cost of wheat used for feed which arose with the higher prices paid to wheat growers. The payment applies to Manitoba No. 4 Northern Wheat and grades of equal or lower value, and the higher grades of milling wheat are not eligible for the payment. Up to the end of March, 1946, \$23,108,000. was paid against claims received since the inception of the policy.

Protein Feeds.- During the last year the protein situation has been definitely in short supply and has had to be allocated by the Feeds Administrator in order to maintain, as far as possible, equitable distribution. Vegetable protein production has increased in Canada and animal protein production has decreased due to smaller kills in Canadian abattoirs and to greater processing for UNRRA as edible meats, of those proteins which were formerly used for animal feeds. The production of fishmeal in British Columbia has been less than usual during the past year and it has also been impossible to import proteins to supplement Canadian supply. Restrictive orders on the use of proteins have again been required throughout the year.

FERTILIZERS AND PESTICIDES ADMINISTRATION

Fertilizers.- The total consumption of fertilizers in Canada in 1945 was approximately 600,000 tons of all kinds as against 560,000 tons used in 1944, and 500,000 tons used in 1943. Consumption in 1939 was only 275,000 tons. Supplies were obtained by arranging for additional allocations from the Combined Food Board and by promoting increased production in Canada. By the system of zoning used since 1943, the fertilizer plants were again brought under allocation so that each plant could produce to capacity, and could supply a certain zone, the requirements of which were the equivalent of the plant's production. Over-export of supplies of domestic production was prevented by controlling under export permit.

Fertilizer Freight Assistance.- Assistance to farmers purchasing fertilizers was continued in the five eastern provinces and in British Columbia to the extent of paying the freight cost in excess of \$1.00 per ton up to a maximum of \$2.50 per ton, unless a higher rate was specifically authorized. This policy has the effect of equalizing generally the cost of fertilizers to farmers and has been in operation for the last four years. The cost of the policy during the year amounted to \$437,671.

Subsidies for Price Stabilization.- In order to equalize the cost of fertilizers to farmers and to prevent piercing the price ceiling, the Fertilizers Administration, through the Commodity Prices Stabilization Corporation, subsidized imported and certain domestic materials used in fertilizer manufacture. These subsidies were adjusted so as to equalize the laid down cost at all points, using Toronto, Ontario, as the base point. Imports of nitrate of soda into British Columbia were subsidized so that this nitrogen material would cost \$46.00 per ton (the ceiling price f.o.b. Vancouver/New Westminster). The total import and domestic subsidies during the fertilizer year ending July 1, 1945, approximated \$990,000. For meeting extra supply needed in the spring of 1945, 1000 tons of triple-superphosphate was purchased in the United States, and 5000 tons of Russian potash was bought and distributed under the direction of the Administration. The outlay on these transactions was approximately \$300,000, most of which was recovered in resale to Canadian manufacturers or wholesalers. The small loss which was absorbed, was in lieu of import subsidies for preserving the price ceilings. Fertilizer prices in 1945 continued the same as in 1942.

Agricultural Limestone.- The production and distribution of ground limestone for use by farmers in the five Eastern Provinces and British Columbia was again supported during the year by paying one half of the cost, subject to the provincial program concerned being first approved by the Agricultural Supplies Board. The money is used for reducing freight cost from the quarries to the farmers and for developing the quarries themselves. During the fiscal year ended March 31, 1946, the Dominion Government's share of this program amounted to \$277,664. Dominion assistance in Provincial lime programs started in 1943, and since then the supply and use of agricultural lime has more than doubled, from 175,000 tons to 450,000 tons per year.

Combined Food Board.- Representation on the Fertilizer Committee under the Combined Food and Raw Materials Board of the United Nations was maintained throughout the year. Monthly meetings were attended at Washington and the program of the Committee with respect to Canada was carried out.

Pesticides.- Pesticides include the wide variety of chemicals and proprietary products used in pest control such as the insecticides, fungicides, disinfectants, rodent poisons, weed killers and fumigants. Working through a departmental Committee, which advised the administration of the location and quantity of each pesticide material, arrangements for the necessary supplies and distribution were made. Supplies were subject to some restrictions as to use and were obtained by increased Canadian manufacture and by allocations from the War Production Board of the United States. Domestic distribution was directed in co-operation with Committees of the trade, which function under the Pesticides Administration.

Production in Canada in 1945 of such principal pesticides as lead and calcium arsenates, Paris green, lime-sulphur solutions, copper fungicides, tar-acid disinfectants, gopher poisons, oil sprays, warble powders, fly sprays and spray-lime was increased on an average about 14 percent over 1944 production. Imports in 1945 of such materials as copper sulphate, nicotine sulphate, paradichlorobenzene, cyanides, perchlorides, rotenone and synthetic insecticides, which are not made in Canada, were about 10 percent more than in 1944. As with fertilizers, domestic supplies of pesticides were retained by preventing exports except under permit.

Of the emergency supply of copper sulphate bought in 1943, some 200 tons remained and were sold to Canadian manufacturers during 1945 for distribution to the trade. It was not possible to buy any nicotine sulphate and the relatively small quantity made available to Canada was distributed under the direction of the Administration.

Subsidies totalling approximately \$50,000 for preserving the price ceilings were paid under the direction of the Pesticides Administration by the Commodity Prices Stabilization Corporation on imports and domestic shipment

copper sulphate, nicotine sulphate and rotenone. Through the Chemicals Controller, imports of nux vomica and strychnine for other poisons were subsidized to insure supply and to preserve the price ceilings.

Prices.- Prices in 1945 were practically the same as those in 1944 under the price ceiling requirements. During the year nearly 1,000 price fixations were dealt with under the Wartime Prices and Trade Board regulations. These covered a wide range of products from livestock de-wormers to spray-lime.

SEEDS ADMINISTRATION

Alfalfa, Clovers and Grass Seeds.- Seed production of the principal kinds, with the exception of Red Clover included under this heading, was sufficient to meet requirements in Canada for seeding in 1946. The estimated value of those seeds to the grower from the 1945 production was \$8,879,295, as compared with \$9,503,565 (revised) in 1944 and \$7,065,000 in 1943.

Production of alfalfa seed in Eastern Canada in 1944 and in 1945 was insufficient to meet domestic requirements in these provinces. In order to provide for eastern needs on a basis that was equitable to the western producer and permit distribution to the consumers in Eastern Canada within the retail ceiling price of \$37.00 per 100 lbs., the Government undertook in both years to give a rebate to the buyer on approved shipments, of the carlot freight rate from Winnipeg, Manitoba, to destination.

In order to supply the needs of Eastern Canada for seeding in 1945, 1,650,000 pounds of alfalfa seed was authorized for movement from Western Canada, and the freight, as defined above, was paid by the Agricultural Supplies Board. The total cost to the Board was \$18,873.94.

Because the 1945 crop in Eastern Canada was approximately two million pounds less than in 1944, it is estimated that not less than three and one-half million pounds of western alfalfa seed will be required for seeding in Eastern Canada in the spring of 1946. Order in Council P.C. 7/6761 authorizes the Agricultural Supplies Board to pay the carlot freight rate from Winnipeg, Manitoba, to points in Eastern Canada on such quantities of seed as may be considered necessary.

Field, Root and Garden Vegetable Seeds.- Measures taken since early in the war to ensure supplies of certain essential field root and garden vegetable seeds, which prior to war were supplied chiefly from European countries, are being terminated. With the end of the war, European sources of supply are once more available, which, along with an expanded Canadian production, ensures adequate supplies. Contracts entered into between the Agricultural Supplies Board and the growers provide that any seed produced under contract and not disposed of through commercial seed channels, shall be purchased by the Government at the price agreed. At the end of March, 1946, the Board had purchased and retained in stock the following kinds, varieties and quantities of seed,-

<u>Kind</u>	<u>Variety</u>	<u>Quantity</u> (Pounds)	<u>Purchase</u> <u>Value</u> (Dollars)
Cabbage	Denish Ballhead	2,700	5,400.00
	Penn. State	1,600	3,200.00
Carrot	Chantenay	1,530	1,300.50
	Denvers half-long	1,900	1,615.00
	Imperator	1,600	1,360.00
	Nantes	2,225	2,225.00
Cauliflower	Codania Snowball	417	4,170.00
	Perfection	803	9,430.00

(Continued)

<u>Kind</u>	<u>Variety</u>	<u>quantity</u> (pounds)	<u>Purchase</u> <u>Value</u> (Dollars)
Lettuce	Grand Rapids	560	448.00
	New York 12	445	445.00
Onion	Red Wethersfield	265	530.00
Parsnip	Hollow Crown	26,410	10,220.00
Radish	Scarlet Turnip White Tip	250	58.70
Spinach	Bloomsdale Longstanding	7,741	2,271.40
Tomato	Bonny Best	1,225	4,593.75
	Earliana	687	2,576.25
Mangel	Frontenac	8,900	3,115.00
Swede	Acadia	16,212	8,132.00
	Laurentian	4,460	2,337.50
			<u>\$ 63,428.10</u>

In addition the Board is responsible for contracts placed in the spring of 1945 for the production of specified amounts of biennial vegetable seeds in 1946, as follows, - beet 100,000 pounds; cabbage 10,000 pounds; carrot 100,000 pounds; cauliflower 1,000 pounds; onion 112,000 pounds, and parsnip 3,000 pounds. Only the portion, if any, not sold through commercial seed channels will of course be purchased by the Board.

The program to provide stock seed of the various kinds and varieties required, was completed in 1945. This program was carried out with the co-operation of the Horticulture and Forage Crop Divisions of the Experimental Farm Service, Ottawa, whose personnel provided the necessary technical supervision. Stock seed was grown throughout Canada at the Experimental Farm Stations, provincial agricultural institutions, and by reliable stock seed growers of the Canadian Seed Growers Association.

Other Seeds.- Supplies of other seeds, including cereal and oil-bearing seeds, have been retained in sufficient volume in Canada to meet all requirements for seeding in the spring of 1946.

FLAX FIBRE ADMINISTRATION

General Comment.- The acreage planted to fibre flax in 1945 was 21,557 acres, about 17,000 acres less than in 1944. A reduction of approximately 9,000 acres was expected but due to unsuitable seeding conditions a further reduction of 8,000 acres occurred. In spite of the late seeding of a large portion of the crop, grading conditions during the months of June and July were excellent. Consequently, the yield per acre and the quality of the crop were better than during the past three years. It is anticipated that the total yield of gradeable fibre from the reduced acreage will be only slightly less than the yield secured from the 1944 crop.

Production.- The following table indicates the progress of the flax industry since 1939 in relation to mills and production:

Processing Years	No. of Mills	No. of Acres Planted for Production of Spinnable Fibre	Graded and Marked Scutched (tons)	Graded and Marketed Scutched Tow (tons)	Total Value of Crop
Sept. 15 to Sept. 14					
1939-40	8	8,306	538	1,806	\$ 837,600.00
1940-41	16	20,275	1,020	1,499	1,150,151.95
1941-42	35	44,467	1,455	2,649	1,954,573.38
1942-43	38	47,070	1,477	2,928	2,242,075.44
1943-44	42	33,864	1,249	3,122	2,252,787.65
1944-45	42	38,792	927	1,957	1,457,000.00
1945-46	38	21,557	1,250 ★	1,750 ★	1,820,000.00 ★

★ - Estimated

Inspection and Grading. - All spinnable flax fibres are graded in accordance with approved grade standards through regulations established under Order in Council P.C. 8590, November 4, 1941, and acceptable to the British Flax Control and the Commodity Credit Corporation, U. S. Department of Agriculture.

Purchase and Resale. - As mentioned elsewhere in this report all graded flax and flax tow, other than that required for domestic use, is exported to the United Kingdom or the United States and is sold through the Special Products Board. Quantities not required by the United States are shipped to the United Kingdom. These arrangements are covered by agreements which will expire on September 14, 1946.

Future of Industry. - The Department is endeavouring to assist the industry in finding future markets. The British Ministry of Supply has offered to purchase from the 1946 crop, for delivery to September 14, 1947, 500 tons of flax and 1,000 tons of flax tow. The industry and the Department are studying this offer and are making a survey of alternative markets. At the present time it seems certain that the industry is planning to carry on and the estimated acreage for 1946 will be similar to that for 1945.

AGRICULTURAL FOOD BOARD

Food was an effective weapon to the success of the war. It is of equal importance to the maintenance of peace. During the war years the farmers of Canada had increasing demands made of them for more and more food to supply the needs of the armed forces and civilian workers at home and abroad. In the years 1940 and 1941 prices of nearly everything that people in the cities and farmers purchased were increasing rapidly. In order to control inflationary tendencies a system of price control was instituted in Canada on December 1, 1941. Then, to maintain and increase production under ceiling prices, subsidies were paid to producers of essential foods and materials.

At first the subsidies to producers of farm products were paid by the Wartime Prices and Trade Board, but following an agreement between the Ministers of Agriculture and Finance, the Agricultural Food Board was established on March 1, 1943, and assumed the payment of agricultural producers' subsidies two months later on May 1st. The Agricultural Food Board was given wide powers and responsibilities in connection with the wartime production of food in Canada and its diversion into essential uses. The Board was established by Order in Council under the authority of the War Measures Act and has been continued in effect since January 1, 1946, under the National Emergency Transitional Powers Act of 1945.

Duties. - Briefly, the duties and responsibilities of the Board are: in co-operation with the Agricultural Supplies Board, to develop and direct the policies of the Department of Agriculture for the wartime production of food; to co-ordinate the activities of all commodity boards established under the Department of Agriculture; to direct the diversion of food products produced in Canada to fill export contracts, to meet the requirements of the armed forces in Canada and to supply deficient areas in Canada; and to provide a medium for co-operation between the Department of Agriculture and the Wartime Prices and Trade Board in all matters pertaining to agricultural production, price adjustments and subsidies.

Members of Board. - The Board is composed of six officers of the Department of Agriculture: Dr. G. S. H. Barton, Deputy Minister, Chairman; Mr. A. M. Shaw,

Director of Marketing Service and Chairman of the Agricultural Supplies Board is Vice-Chairman; Mr. R. S. Hamer, Director of Production Service; Dr. J. F. Booth, Associate Director of Marketing Service in Agricultural Economics; Mr. J. F. Singleton, Chairman of Dairy Products Board, (alternative Mr. W. C. Cameron, Chief, Dairy Products Grading and Inspection Service), and Mr. L. W. Pearsall, Secretary-Manager of the Meat Board. Mr. Singleton and Mr. Pearsall are ex officio members for the products dealt with by their respective boards.

Administration. -

A Secretary, an Associate Secretary, a special assistant on audit and accounting and two commodity assistants make up the Secretariat of the Board whose duty it is to interpret Board policy. The Secretariat is responsible to the Board for the administration of the payment of subsidies. These men are on the permanent staff of the Economics Division, Marketing Service. The whole program has been carried out without adding to the pre-war executive staff of the Department of Agriculture. Under the Secretariat a large share of administrative work is handled by the Treasury Office of the Department of Agriculture, the Dairy Products Division, the Fruit and Vegetable Division, the Provincial Milk Control Boards and the Provincial Dairy Commissioners.

SUBSIDY PROGRAM

Producers' subsidies are direct payments to farmers in addition to their return under ceiling prices and are necessary with our price controlled economy to maintain or increase the production of essential food products. Subsidies are paid to primary producers by the manufacturers or distributors who are the first receivers of the raw products. When the processor furnishes proof to the Agricultural Food Board that he has paid the full subsidy to the producer he is reimbursed out of government funds. The subsidy must be paid in addition to any legal or contract price and must be shown as such on the statement of settlement with the producer. The subsidy is paid on condition that the processor has paid a price to the producer satisfactory to the Food Board.

MILK AND MILK PRODUCTS

Subsidies at varying rates are used as a means of directing supplies into desired lines of dairy production. Under the wartime prices and subsidy program total milk production has increased from 15.8 billion pounds in 1939 to 17.6 billion pounds in 1945, an increase of 11.6 percent. This increase in production has provided Canadian people with an unrestricted supply of fluid milk (net increase of 33 percent in fluid sales from 1939 to 1945), more butter than before the war and at the same time large quantities of cheese and concentrated milk products have been exported to meet overseas requirements of the United Nations.

At the present time approximately 50 percent of the total milk production in Canada goes into butter, 20 percent to fluid milk sales, 10 percent to cheese, $3\frac{1}{2}$ percent to concentrated products, $1\frac{1}{2}$ percent to ice cream and 15 percent is fed and used on farms.

Fluid Milk Subsidy. - The main purpose of the subsidy has been to encourage the producers of milk to meet increased demands from army camps and from cities and towns throughout Canada where war industry had resulted in increased population and greater purchasing power among former low income and undernourished sections of the population.

The fluid milk subsidy is paid on a selective basis. Application is made by producer groups in a market centre to the Provincial Milk Control Boards or Commissions who act as agents for the Agricultural Food Board.

The Provincial Boards who know local conditions review the situation, consider the need and amount of the subsidy that should be requested, review the application and forward it to the Agricultural Food Board with their recommendation. The Agricultural Food Board may accept the recommendation of the Provincial Authority or may change it. In place of a subsidy, particularly the maximum subsidy, the Board may recommend a price increase where the prevailing retail price is unusually low, in which case the application is referred to the War-time Prices and Trade Board, or the returns to producers may be increased by a combination of the lower subsidy rate and a price increase.

Subsidies are applied to milk purchased for fluid distribution in specific market centres. The Board does not issue blanket authorization for payment on a regional basis. In dealing with the need and amount of a subsidy for a specific distributing centre the Board is guided by certain principles which apply across Canada. In applying these guiding principles the Board endeavours to maintain the price relationship between markets which existed during the base period. In certain local situations where unusual demand has arisen, exceptions have been made.

Manufactured Dairy Products Subsidies. - Subsidy is paid on the whole milk delivered by the producer or on the butterfat contained in the milk. A double subsidy is not paid. That is, butterfat removed from milk is not eligible for subsidy if the whole milk has already been subsidized. With this exception the butterfat subsidy is paid on all butterfat used in the manufacture of creamery butter; the cheese milk subsidy is paid on all milk used in the manufacture of cheddar cheese; the concentrated milk subsidy is paid on all milk used in the manufacture of concentrated whole milk products which include whole milk powder and evaporated whole milk; the concentrated milk subsidy is paid on skim milk powder and evaporated skim milk provided the butterfat subsidy has not been claimed on the same milk; a subsidy equivalent to the concentrated milk subsidy is paid on milk used in the manufacture of milk sugar (lactose). That is, the subsidies are paid on proof of manufacture of these products anywhere in Canada.

SUBSIDIES PAYABLE ON DAIRY PRODUCTS

<u>Subsidy Period</u>	<u>Rate of Subsidy</u>	<u>Paid under Direction of</u>
(1)		
<u>Fluid Milk -</u>		
Dec.22/41-April 30/42	30¢ per 100 lbs.	WPTB
Sept.1/42-April 30/43	25¢ per 100 lbs.	WPTB
May 1/43 -Sept. 30/43	25¢ per 100 lbs.	AFB, P.C. 2709, April 2/43
Oct.1/43 -April 30/44	25¢ per 100 lbs., or 55¢ per 100 lbs.	AFB, P.C. 7142, Sept. 9/43
May 1/44 -Sept. 30/44	25¢ per 100 lbs., or 35¢ per 100 lbs.	AFB, P. C. 1062, Feb. 24/44
Oct.1/44 -April 30/45	25¢ per 100 lbs., or 55¢ per 100 lbs.	AFB, P. C. 1062, Feb. 24/44
May 1/45 -Sept. 30/45	25¢ per 100 lbs., or 35¢ per 100 lbs.	AFB, P. C. 6/1731, Mar. 14/45
Oct.1/45 -April 30/46	25¢ per 100 lbs., or 55¢ per 100 lbs.	AFB, P. C. 6/1731, Mar. 14/45
May 1/46 -Sept. 30/46	35¢ per 100 lbs., or 55¢ per 100 lbs.	AFB, P. C. 2105, May 30/46
<u>Creamery Butter -</u>		
July 6/42-Dec 20/42	6¢ per lb. bf	WPTB
Dec.21/42-April 30/43	10¢ per lb. bf	WPTB
May 1/43 -Dec. 31/43	8¢ per lb. bf	AFB, P. C. 2709, April 2/43
Jan.1/44 -April 30/44	10¢ per lb. bf	AFB, P. C. 2709, April 2/43
May 1/44 -April 30/45	10¢ per lb. bf	AFB, P. C. 1062, Feb. 24/44
May 1/45 -April 30/46	10¢ per lb. bf	AFB, P. C. 6/1731, Mar. 14/45
May 1/46 -April 30/47	10¢ per lb. bf	AFB, P. C. 2105, May 30/46

(Continued)

<u>Subsidy Period</u>	<u>Rate of Subsidy</u>	<u>Paid under Direction of</u>
<u>Cheddar Cheese -</u>		
Oct. 1/43-April 30/44	30¢ per 100 lbs. milk	AFB, P. C. 7142, Sept. 9/43
May 1/44-April 30/45	20¢ per 100 lbs. milk	AFB, P. C. 1082, Feb. 24/44
May 1/45-April 30/46	20¢ per 100 lbs. milk	AFB, P. C. 6/1731, Mar. 14/45
May 1/46-April 30/47	30¢ per 100 lbs. milk	AFB, P. C. 2105, May 30/46

<u>Concentrated Milk Products -</u>		
Dec. 22/41 -April 30/42	40¢ per 100 lbs. milk	WPTB
Mar. 1/43 -April 30/43	25¢ per 100 lbs. milk	AFB, P. C. 1/2590, Mar. 31/43
Oct. 1/43 -April 30/44	30¢ per 100 lbs. milk	AFB, P. C. 7142, Sept. 9/43
(May 1/44 -Sept. 30/44	15¢ per 100 lbs. milk	AFB, P. C. 1082, Feb. 24/44
(Oct. 1/44 -April 30/45	30¢ per 100 lbs. milk	AFB, P. C. 1082, Feb. 24/44
(2)(May 1/45 -Sept. 30/45	15¢ per 100 lbs. milk	AFB, P. C. 6/1731, Mar. 14/45
(Oct. 1/45 -April 30/46	30¢ per 100 lbs. milk	AFB, P. C. 6/1731, Mar. 14/45
May 1/46 -Sept. 30/46	23¢ per 100 lbs. milk	AFB, P. C. 2105, May 30/46

(1) Consumer subsidy of 2¢ per quart was announced in December 1942, which meant a reduction in price of 2¢ per quart on all fluid milk sold to consumers either at retail or wholesale. This subsidy is paid under authority of the W.P.T.B.

(2) A subsidy equivalent to the concentrated milk subsidy is paid on milk used in the production of lactose (milk sugar). For period April 1, 1944, to April 30, 1945, (AFB, P. C. 2299, March 30, 1944) and for period May 1, 1945 to April 30, 1946 (AFB, P. C. 6/1731, March 14, 1945) (AFB, P. C. 2105, May 30, 1946).

EXPENDITURE

TOTAL SUBSIDIES PAID ON DAIRY PRODUCTS (Calendar Year Basis)

	<u>1942</u> <u>W.P.T.B.</u> \$	<u>1943</u> <u>A.F.B.</u> \$	<u>1944</u> <u>A.F.B.</u> \$	<u>1945</u> <u>A.F.B.</u> \$	<u>1946</u> <u>Estimate</u> \$
Fluid Milk	3,846,036	4,968,477	12,818,405	12,671,811	7,250,000
Butterfat	7,000,933	15,724,915	24,165,855	23,688,867	25,500,000
Cheese (3)		800,270	4,330,002	4,269,692	6,075,000
Concentrated Milk		464,955	2,078,419	1,882,101	800,000
	10,846,969	21,958,617	43,392,681	42,512,471	39,625,000

(2) Includes approximately 1 million dollars of 1943 claims paid in 1944.

(3) Not including quality bonus.

Average prices including subsidies received for milk and milk products and subsidies as percentage of returns to dairy farmers in 1945.

Fluid milk: Average farm price 1942 was \$2.15 per cwt.
Average farm price 1945 was \$2.52 per cwt.
Percentage increase 17.2 per cent.
Subsidy was 12.6 per cent of total returns to farmers for fluid milk or 17 per cent for all fluid milk on which a subsidy is paid.

Butterfat: Average farm price 1942 was 37.2¢ per lb.
Average farm price 1945 was 44.1¢ per lb.
Percentage increase 18.5 per cent.
Subsidy was 22.3 per cent of total returns to farmers for butterfat used in the production of creamery butter.

(Continued)

Cheese Milk: Average farm price 1942 was \$1.69 per cwt.
Average farm price 1945 was \$1.92 per cwt.
Percentage increase 13.6 per cent.
In Ontario subsidies and premiums paid by
Dominion and Provincial Governments represented
23 per cent of total returns received by farmers.

Concentrated milk: Average farm price 1942 was \$1.80 per cwt.
Average farm price 1945 was \$2.04 per cwt.
Percentage increase 13.3 per cent.
Subsidy was 14.7 per cent of total returns
received by farmers.

Control of Diversion. - In order to prevent the diversion of milk from priority uses into less essential outlets, the utilization of milk within the dairy industry was stabilized from October 1943 to October 1945 by requiring distributors or manufacturers to obtain permission from the Agricultural Food Board before purchasing milk or cream from other than those from whom they were purchasing milk or cream prior to and regularly since September 30th, 1943. This Order came into effect October 1st, 1943, and although at the start it met with considerable opposition from the trade, it was later favourably regarded. The trade acknowledged the effectiveness of the Order in holding producers at cheese factories and creameries and thereby maintaining or increasing the production of cheese and butter. A milk producer could not shift his production to another usage except under permit from the Agricultural Food Board. Shifts from one distributor to another were also controlled. This practically eliminated competition among dairies for producers in the same market. The Office of the Administrator of Services co-operated fully with the Board in controlling diversion and did not issue a trucker's permit to haul a farmer's milk supply over a new route unless clearance was first secured from the Agricultural Food Board. In many market centres the Medical Officer of Health would not inspect farm dairy premises unless the distributor held a Food Board permit to purchase milk from the additional producer.

The Agricultural Food Board enforced control by denial of subsidy in the case of unauthorized diversion. In the early months denials of the subsidy were frequent. Later, with a better understanding of the purpose of the Order and the Board's method of control, denials were relatively infrequent.

Under the Order producers were held to their outlets unless special circumstances existed which the Board recognized as justification for change. The seasonal closing of cheese factories and creameries not equipped for winter manufacture accounted for a considerable number of the diversions under permit. Since October 1st, 1943, up to October 31st, 1945, the Board has issued 11,153 permits and as each permit bears on the average the names of four to six producers, 50,000 to 60,000 producers in Canada have been permitted to change their sales outlets from October 1st, 1943 to October 31st, 1945.

Control of diversion of milk was instituted to meet a wartime emergency. It served its purpose during the war and it was not intended that it should be extended after hostilities ceased. In early October 1945 milk was in good supply, cheese production had exceeded requirements, and there was no apparent shortage in creamery butter supplies at that time. In line with the government policy of decontrol the measure was discontinued as of October 31, 1945, and farmers were permitted to sell their milk where they wished.

Recovery of Subsidies on Exports and Butter used for Industrial Purposes. - By Order in Council P.C. 4424, July 14th, 1944, the Agricultural Food Board was authorized to impose and collect a refund at a rate commensurate with the subsidy paid on butterfat or milk used in the manufacture of creamery butter, cheddar

cheese and concentrated whole milk products when sold for ship's stores or for export, except when exported under government contract, and, with respect to butter only, when used for industrial purposes in Canada. In so far as exports and sales for ships' stores are concerned, this order was replaced by P.C. 6759 on November 6th, 1945.

The Export Permit Branch, Department of Trade and Commerce, and the Commodity Prices Stabilization Corporation Limited, Wartime Prices and Trade Board, have been named as agents of the Food Board to collect subsidy refunds. The following rates of refund applied in 1945: creamery butter 8 cents per pound, cheddar cheese $2\frac{1}{4}$ cents per pound. On concentrated whole milk products which are manufactured during the period October 1st, to April 30th when the 30 cents per hundred pounds subsidy is in effect exporters and sellers to ships' stores are required to refund the subsidy at the following rates on the manufactured product: evaporated whole milk 66 cents per hundred pounds, sweetened condensed milk 74 cents per hundred pounds, dry whole milk powder $2\frac{1}{2}$ cents per pound. For products manufactured between May 1st, to September 30th when the subsidy rate is 15 cents per hundred pounds the rate of refund is halved. From April 1st, 1944, to December 31st, 1945, the total refund collected from industrial users and exporters of subsidized dairy products has amounted to a total of \$777,446.06.

CANNING CROP SUBSIDIES

Tomatoes, Corn, Peas, Green or Wax Beans

Under an arrangement with the Wartime Prices and Trade Board canners' ceilings on these products will be increased later by an amount corresponding to the subsidy. This will enable canners to pay producers of these crops prices equivalent to the 1945 prices including subsidies. During the past three years subsidies were paid through the processor to producers for such quantities of the named vegetables as are delivered to and purchased by canners for processing. The per ton subsidies which have been paid by the Agricultural Food Board to producers of Tomatoes, Peas, Corn, Green and Wax Beans used for processing, will not be paid on the 1946 crop.

Conditions of Payment. - Subsidies were paid through the medium of canners. Price for the crop was that paid in 1941 or any higher amount agreed upon, and in addition the grower received the subsidy on the amount of the crop delivered. Subsidies were paid out by canners on behalf of the Board and reimbursement to canners was made upon submission of claim after settlement in full had been made with the grower.

History. - Effective July 1st, 1942, the main types of canned fruits and vegetables were made subject to specific maximum canners' prices and controlled markups by order of the Wartime Prices and Trade Board. The same order provided canners' and growers' subsidies, and floor prices for canners. The growers' subsidies applied on tomatoes, corn, peas and beans and were devised by authorizing canners to pay stated increases over their 1941 prices in return for which they could count on the floor price guarantee for their own sales by being permitted to sell any left over pack on or after February 1st, 1943, to the Board's agent (Commodity Prices Stabilization Corporation Limited) at prices returning more than the ceilings and less than ceilings plus canners' subsidy. Actually no such distress sales were made, but it is understood that nearly all canners paid these additions, which were covered by a portion of the subsidy they received on their processed vegetables. The rates were tomatoes \$1 per ton, corn \$2 per ton, peas \$7.50 per ton (\$1.50 straw weight), and beans \$5 per ton.

Subsidies were payable in 1942 by Wartime Prices and Trade Board Order No. 148, June 24th, 1942. Under authority of the Agricultural Food Board subsidies were payable in 1943 by P.C. 2/2105, March 16th, 1943, in 1944 by P.C. 1611, March 9th, 1944, and in 1945 by P.C. 2/1731, March 14th, 1945.

The Changes in rates during succeeding years are shown in the following table:

SUBSIDIES PAYABLE ON CANNING CROPS

<u>Crop Season</u>	<u>Rate of Subsidy Per ton</u>	<u>Paid under Direction of</u>
Tomatoes		
1942	\$1.00	W.P.T.B.
1943	3.00	A.F.B.
1944, 1945	6.00	A.F.B.
Corn		
1942	2.00	W.P.T.B.
1943, 1944, 1945	4.00	A.F.B.
Peas		
1942	7.50	W.P.T.B.
1943, 1944, 1945	10.00	A.F.B.
Peas (straw weight)		
1942	1.50	W.P.T.B.
1943, 1944, 1945	2.00	A.F.B.
Green or Wax Beans		
1942	5.00	W.P.T.B.
1943, 1944, 1945	7.50	A.F.B.

EXPENDITURE

Subsidies Paid on Canning Crops

	<u>Season 1943</u>	<u>Season 1944</u>	<u>Season 1945 (preliminary)</u>
	\$	\$	\$
Tomatoes	504,090	1,795,789	1,077,153
Corn	179,000	265,648	206,771
Peas	206,000	391,243	343,703
Beans (green & wax)	63,100	93,150	77,143
Total	952,190	2,545,830	1,704,770

Representative prices including subsidies paid for vegetables for processing and subsidies as percentage of returns to growers in 1945

Tomatoes:	Average base price 1941	\$14.10
	Average price paid 1945	\$20.35
	Percentage increase	45%
	Subsidy was 29 per cent of total price.	
Corn:	Average base price 1941	\$10.75
	Average price paid 1945	\$14.00
	Percentage increase	30%
	Subsidy was 29 per cent of total price.	
Peas:	Average base price 1941	\$45.00
	Average price paid 1945	\$55.30
	Percentage increase	23%
	Subsidy was 18 per cent of total price.	
Green or Wax Beans:	Average base price 1941	\$47.00
	Average price paid 1945	\$75.50
	Percentage increase	60%
	Subsidy was 10 per cent of total price.	

SUBSIDIES ON BERRIES FOR JAM AND CANNING

Strawberries, Raspberries, Loganberries, Gooseberries, Currants

Subsidies for berries were included by the manufacturers in their purchase prices. Their purpose was to maintain the production of berries for jam manufacture and canning and to allow manufacturers some assistance in competing for fresh fruit without increasing the ceiling prices on jams and canned berries. Subsidies to growers of jam berries will be discontinued in 1946 and ceiling prices on jam will be increased to permit growers to be paid total returns equal to those obtained in 1945.

Conditions of Payment. - Subsidies were payable and recoverable only by jam manufacturers holding a Manufacturer's Sales Tax Licence issued by the Excise Division of the Department of National Revenue and producing jam or canned fruit for sale on a commercial basis and through normal commercial channels. Subsidies were recoverable by manufacturers who had paid the subsidy to growers in addition to a fixed minimum price stated in the Order. That is, the subsidy was included in the purchase price and was not identified as such.

History. - In order to halt the drastic decline in strawberry acreage when the Japanese growers were removed, subsidies were paid under the Wartime Prices and Trade Board to processors of strawberries in British Columbia at the rate of two cents per pound when a total of eight cents or more had been paid to growers. Subsidy payments came under the Agricultural Food Board in 1943 and were extended to growers in Eastern Canada. To make the limited supply of fruit go further subsidies were paid only on berries used in the manufacture of pectin and compound jams. The continuing and unusual difficulties of the industry were recognized in British Columbia where strawberries were given three cents per pound higher subsidy than in Eastern Canada.

In 1944 rates of subsidy continued practically unchanged. Raspberries purchased for canning were made eligible for subsidy and restrictions on the proportions of "pure", "pectin" and "compound" jams were removed. Although pectin and compound jam stretches the available fruit into a larger pack, they required more sugar which was also in limited supply.

Before the 1944 berry season opened, the Wartime Prices and Trade Board placed a ceiling on fresh strawberries and raspberries. This assisted jam manufacturers in competing with the fresh fruit market for supplies.

Subsidies for berries were payable in 1942 in British Columbia by the Wartime Prices and Trade Board; in 1943 by the Agricultural Food Board under P.C. 1/4225, May 21, 1943, as amended by P.C.'s 3/5410, July 7th, 1943, 6/8336, October 27th, 1943, and 1/68, January 12th, 1944, in 1944 by P.C. 4340, June 6th, 1944. For 1945 subsidies were authorized by P.C. 7/1731, March 14th, 1945, at the same rates as in 1944.

Subsidies were payable in 1943, 1944 and 1945 at the rates shown hereunder and are recoverable only by manufacturers having paid the following minimum prices including subsidy.

	<u>Ontario and East</u>		<u>British Columbia</u>	
	<u>Subsidy</u> <u>per lb.</u>	<u>Minimum price</u> <u>per lb.</u>	<u>Subsidy</u> <u>per lb.</u>	<u>Minimum price</u> <u>per lb.</u>
	\$	\$	\$	\$
Strawberries-hulls on	.03	.12		
hulls off	.03½	.13½	.06	.12
Raspberries	.03	.13	.03	.14
Loganberries	.03			.10½
Boysenberries)				
Gooseberries)				
Currants)				
	Subsidy of three cents per pound in addition to manufacturers' purchase price in 1942.			

EXPENDITURE

Subsidies Paid on Berries for Jam and Canning

1943 Crop	-	\$359,000
1944 Crop	-	\$397,768
1945 Crop	-	\$603,705

Subsidy on White and Yellow Eye Dried Beans

In order to stimulate the production of dried beans for domestic needs under ceiling prices and for export requirements, a subsidy of 50 cents per bushel was paid by authority of the Wartime Prices and Trade Board above growers price of \$2.00 per bushel for "No. 1 Pick" grade in 1943 and 1944. Beans exported were sold at \$3.00 per bushel by the Special Products Board who issued participation certificates to growers as a means of distributing the additional returns. Participation certificates increased the return to approximately \$2.75 per bushel. It seemed desirable to turn the 25 cents realized from participation certificates into a subsidy which added to the 1943 rate gives a total subsidy of 75 cents per bushel. Following an exchange of views with the Foods Administration of the Wartime Prices and Trade Board and inasmuch as the subsidy is really a growers subsidy, it was agreed that it should be provided under the auspices of the Agricultural Food Board.

Accordingly, P.C. 12/1731, March 14th, 1945, authorized a subsidy of 75 cents per bushel to be paid, as the Agricultural Food Board may direct, to growers in the bean exporting area of Canada on their sales of 1945 crop of white and yellow eye beans.

At December 31, 1945, \$405,420 had been paid out in subsidy on beans, and may amount to \$550,000 for the total crop. Provision for recovery of the subsidy, when beans are exported or sold for ships' stores, was made in P.C. 6759. In consultation with the W.P.T.B. it was agreed that the producers' subsidy would be discontinued in 1946 and that the ceiling price on white beans and yellow eye beans be increased to permit growers to realize the same return that they obtained from the ceiling price and subsidy on their sales of the 1945 crop.

AUDIT

Claims for refund of subsidy paid to primary producers are transmitted to Ottawa through various channels and are certified by authorized provincial or federal officers, for example, fluid milk subsidies are approved by provincial milk control boards, butterfat subsidies by provincial dairy commissioners and vegetable and berry subsidies by inspectors of the Marketing Service, Dominion Department of Agriculture.

When received by the Chief Treasury Officer, Ottawa, each claim is examined to detect overlapping and duplicate claims and to see that in all respects the payment claimed is in conformity with the regulations. Arithmetical accuracy is also verified. During the time that the stabilization order was in effect claims were also checked for unauthorized diversions.

In addition to these examinations, field audits are made by Treasury Office auditors working out of Ottawa and district offices, and, in some instances by officers of the Agricultural Food Board.

At the end of December 1945, 733 field audits had been made and the amount of subsidy recovered was in excess of \$43,000. In addition to the subsidies recovered, these audits have disclosed a number of underpayments to producers which the Board has required to be adjusted before payment of subsequent claims.

Field audits have been made in the provinces as follows:

Prince Edward Island	5	Manitoba	31
Nova Scotia	39	Saskatchewan	105
New Brunswick	27	Alberta	58
Quebec	171	British Columbia	<u>142</u>
Ontario	155	Total	<u>733</u>

DAIRY PRODUCTS BOARD

The sixth agreement between Canada and the United Kingdom covering the shipment of cheese and evaporated milk to the British Ministry of Food was terminated with the close of the fiscal year under review. The 1945-46 cheese agreement provided for the shipment of 125,000,000 pounds of cheese from the production of the year beginning April the 1st, 1945. The agreed prices were the same as the previous year, namely 20¢ per pound for First Grade, 19½¢ per pound for Second Grade and 19¢ for Third Grade cheese, basis, f.o.b. factory shipping point or grading station shipping point. Under the agreement 126,847,466 pounds of cheese were shipped to the United Kingdom.

The agreement with respect to evaporated milk provided for a minimum of 300,000 cases (48-16 oz. tins per case, British Standard) from the production of the year beginning April the 1st, 1945. The price was \$4.81 per case f.o.b. ocean steamer or railway car Montreal, Vancouver or New Westminster. The amount of evaporated milk delivered under the agreement was 703,542 cases. An agreement was also arranged during the year under review for the shipment of whole milk powder to the British Ministry of Food, against which 4,224,720 pounds of gas packed spray whole milk powder was shipped. This powder was sold on the basis of 32½¢ per pound in bulk and 41¢ per pound when packaged in one pound tins, f.o.b. Montreal. The Board also sold 409,180 pounds of creamery butter to the British Ministry of Food to service British Admiralty ships calling at Canadian ports on the Pacific Coast.

For the UNRRA requirements the Dairy Products Board during the year under review shipped 160,000 pounds of spray whole milk powder, 604,900 pounds of roller skimmilk powder and 25,000 cases of evaporated milk and 415,970 cases of evaporated milk were supplied to Military Relief. Shipments of dairy products to France were 349,900 pounds of spray whole milk powder and 4,637,444 pounds of roller skimmilk powder; to Belgium, 249,990 pounds of whole milk powder and 2,004,919 pounds of roller skimmilk powder; and to Holland 119,070 cases of evaporated milk.

The policy of previous years was continued and the Dairy Products Board was authorized to purchase creamery butter to support the market at minimum prices as set forth in the Agricultural Food Board Order in Council P.C. 6/1731, March 14th, 1945. Under this arrangement, the Board purchased 4,324,976 pounds First Grade creamery butter. Later in the year, this butter was sold to the domestic trade and to meet the requirements of the Department of Reconstruction & Supply, with the exception of 409,180 pounds which was sold to the British Admiralty as already mentioned, and 55,964 pounds which was exported to Bermuda and Jamaica under quota arrangements.

During the year the Dairy Products Board directed the inter-provincial movement of creamery butter in accordance with a working arrangement with the Wartime Prices and Trade Board which directed the butter shipped into deficient areas.

In line with the policy adopted in former years, the Dairy Products Board issued an Order requisitioning all cheddar cheese manufactured in the provinces of Ontario and Quebec during the period June 1st, 1945, to 22nd November, 1945, inclusive, for shipment to the United Kingdom through exporters licenced by the Board.

MEAT BOARD

Under Order in Council P.C. 4187, June 3rd, 1943, the Meat Board is responsible to the Minister of Agriculture for executing all agreements for meat exports entered into by the Government of Canada with any external Government or the accredited agencies of such Government.

During 1945, the Meat Board purchased and delivered to Canadian seaboard under the 1944-45 two-years agreement, with the United Kingdom Government, approximately 408,500,000 pounds of bacon and hams. During the two-years period of the 1944-45 contract, the volume of bacon and hams purchased and shipped to the British Ministry of Food was approximately 1,109,100,000 pounds, exceeding the 900,000,000 pound minimum of the contract by about 209,100,000 pounds.

In addition during 1945, the Board purchased and shipped to the United Kingdom 10,000,000 pounds of pork offals, 6,500,000 pounds of canned pork and 666,000 bundles of hog casings. Under the two years of the bacon agreement, the exports of pork by-products amounted to approximately 23,432,000 pounds of pork offals; 40,402,300 pounds of canned pork and 1,513,105 bundles of hog casings. Also 8,972,544 pounds of lard were supplied. The combined seaboard value of the bacon, hams, offals, exported during the two-years was \$263,937,610.29 (estimated value).

Exports of beef shipped under the Beef Agreement 1945 amounted to approximately 186,000,000 pounds and shipments of ox-tails to 808,000 pounds. This represented a cattle equivalent of approximately 543,000 head, and gave excellent support to the cattle market during the year, which was one of record slaughtering of 1,820,000 head. The all time weekly record of 58,505 cattle slaughtered during the week ending December 1st, 1945, were all handled without prolonged delay, due largely to the improved labour situation at packing house centres. In addition, Combined Food Board allocations of canned meats of various kinds were 114,000,000 pounds although during the year shipments totalled 126,000,000 pounds.

Under the Mutton and Lamb Agreement covering a maximum shipment of 20,000,000 pounds to the British Ministry of Food from July 1st, 1945, to December 31st, 1946, approximately 10,000,000 pounds had been purchased and shipped at December 31st, 1945.

The smaller exports of bacon and hams during the calendar year 1945 when compared with the exports during 1944, reflected the reduction in inspected hog slaughtering. In 1945 inspected slaughtering were 5,683,727 hogs compared with an all time record of 8,706,441 in 1944.

The 1945 contract price for bacon was \$22.50 per 100 pounds Canadian seaboard, the same as in 1944. The Canadian Government premium payments of \$3.00 and \$2.00 per carcass on A Grade and B Grade hogs, grades eligible for production of export Bltchires of desirable type, weights and quality, were continued and Government warrants issued for payment thereof during the fiscal year 1945-46 up to February 28th totalled \$9,364,924.88 as compared with \$14,848,927.39 issued for the previous fiscal year, this indicating again the reduction in export quality hog supplies in 1945. Since the inception of premium payments at January, 1944, the total premium value

to the end of February, 1946, amounted to \$28,672,953.00. Warrants issued from April 10th, 1944, to February 28th, 1946, totalled in value \$24,249,852.27.

Effective April 1st, 1946, and coinciding with the substantial increase in export bacon prices of \$2.50 per 100 pounds seaboard, the premiums on A Grade and B Grade hogs were reduced to \$2.00 and \$1.00 respectively. The increase in bacon price was immediately reflected in the price of hogs at all centres for offsetting the reduction in the premiums.

Further agreements have been negotiated and those covering the calendar year 1946 are now in operation. The Bacon Agreement for 1946 requires delivery of 450 million pounds of bacon and hams. The price originally set was as for 1944 and 1945, at \$22.50 per 100 pounds Canadian seaboard. As at April 1st, however, the price was increased to \$25.00 for Grade A Wiltshires and a similar price basis will apply on the 1947 contract requiring exports to the United Kingdom of a minimum of 350 million pounds. A further agreement provides for the shipping of 900,000 pounds of oxtails the first six months during 1946, and an agreement to cover the last six months will be made should a sufficient surplus develop. Other agreements provide for the shipping of all surplus pork offals and casings.

Under the 1946 Beef Agreement it was originally proposed to deliver to the British Ministry of Food, 60 million pounds, during the calendar year, based on a price of \$22.75 per 100 pounds of Choice Red Star Brand steer and heifer beef. In March, 1946, however, the British Ministry of Food agreed to accept delivery of all the beef Canada could deliver during the year and if circumstances permit, also in 1947 and probably in 1948.

SPECIAL PRODUCTS BOARD

The Special Products Board was established on April 15th, 1941, for the purpose of regulating the export to the United Kingdom of any product of agriculture processed or unprocessed, except bacon or dairy products, pursuant to agreements made between the Government of Canada and the United Kingdom. Its powers, however, were extended by Order in Council P.C. 2164 dated March 20, 1942, to include agreements with any Government or the accredited representative of any Government in the British Empire or of any nation allied with Great Britain in the war. The Board has wide powers to enable it to perform the function for which it was intended.

The work of the Board is divided into five sections, namely, the Poultry Products Section, Fruit and Vegetable Section, Flax Fibre Section, Field and Vegetable Seeds Section, and Certified Seed Potato Section. A manager has been appointed to direct the work of each section.

POULTRY PRODUCTS SECTION

During the year ending March 31, 1946, shipments of poultry products from the Special Products Board were as follows:

1. To the British Ministry of Food -

Shell Eggs - 1,352,982 cases
Powder - 17,916,685 pounds

2. To the United States Government -

Dressed Poultry - 7,977,737 pounds

Of the dried egg powder shipped to Great Britain 5,511,410 pounds were shipped in 5 oz. containers suitable for household use, 6,458,223 pounds in 14 lb. containers suitable for restaurant and army use and 5,947,052 pounds sugar egg powder for the bakery trade.

No poultry was exported to Great Britain during the fiscal year and shipments to the United States Government for army and merchant marine use were discontinued with the cessation of hostilities. Contracts with the British Ministry of Food are on the basis of the calendar year.

In accordance with contract requirements, powder shipments since the first of January 1946 have been in the form of sugar dried eggs exclusively. This has been done at the specific request of the British Ministry of Food in order that Canadian dried eggs may be set aside for certain specially designated trade requirements in the United Kingdom.

The following table gives the quantity of eggs and poultry exported by the Board during the last three fiscal years:

	<u>Year ending</u> <u>March 31, 1946</u>	<u>Year ending</u> <u>March 31, 1945</u>	<u>Year ending</u> <u>March 31, 1944</u>
Dried Eggs	20,160,950 lb.	22,883,706 lb.	12,897,449 lb.
Shell Eggs	36,626,580 doz.	21,933,030 doz.	-
Dressed Poultry	3,549,451 lb.	25,971,770 lb.	261,000 lb.

FRUIT AND VEGETABLE SECTION

The following products were delivered on contracts with the British Ministry of Food, during the fiscal year 1945-46:

From the 1944 crop -

1,473,167 lb. dried beans
246,600 lb. evaporated apples
2,133,021 lb. dehydrated potatoes
189,790 lb. dehydrated cabbage
225,430 lb. dehydrated carrots
466,672 lb. dehydrated turnips
55,990 lb. dehydrated onions
4,262 lb. dehydrated spinach
156,580 lb. dehydrated beets

From the 1945 crop -

2,688,400 lb. raspberries in 30₂
410,000 lb. groongage pulp in 30₂
25,130¹/₂ bbls. fresh apples
719,126 boxes fresh apples
1,456,050 lb. dehydrated potatoes
1,774,688 lb. dehydrated cabbage
63,740 lb. dehydrated carrots
3,000 lb. dehydrated onions

Shipments of dehydrated vegetables are still going forward.

FLAX FIBRE SECTION

In accordance with agreements completed in 1942 for the duration of the war, between the Board and the Governments of the United Kingdom and United States, all spinnable flax fibres produced in Canada are to be purchased by the Board and sold on a fifty-fifty basis by grades, less essential Canadian requirements, to the British Ministry of Supply (now known

as the BOARD OF TRADE) and the Commodity Credit Corporation, U. S. Department of Agriculture.

The following quantities have been purchased and exported.

<u>Year Ending</u>	<u>UNITED KINGDOM</u>		<u>UNITED STATES</u>	
	<u>Quantity in lb.</u>	<u>Value</u>	<u>Quantity in lb.</u>	<u>Value</u>
Mar. 31/43	6,748,365	\$1,459,379.49	581,230	\$241,283.64
Mar. 31/44	7,598,605	1,911,930.54	741,890	319,461.64
Mar. 31/45	6,621,846	1,486,322.23	-	-
Mar. 31/46	3,630,787	1,088,895.32	816,853	126,262.44
Totals	24,599,603	\$5,946,727.58	2,139,973	\$687,007.72

FIELD AND VEGETABLE SEEDS SECTION

Alfalfa, Clovers and Grass Seeds - 1944 Crop. - In order to maintain and, if possible, increase production of certain forage crop seeds, the Government guaranteed a minimum value on participation certificates issued on the 1944 crop of five cents per pound on alfalfa, alsike clover and alsike-white clover mixture, and three cents per pound on red clover. As in previous years, the Special Products Board was authorized to purchase and be the sole exporter of these kinds of seeds. Where profits made on the exports of any of these seeds exceeded the above guaranteed values, the payments to producers were to be correspondingly increased. The value of the participation certificate for each kind of seed was unknown until the end of the seed export year, June 30, 1945. Payments to producers holding certificates went forward as early after that date as possible.

Total profits obtained on the sale of red clover and alfalfa seed enabled the Board to make a return to the grower holding participation certificates for these crops, that was in excess of the guaranteed value of the certificates. Total profits obtained on the sale of alsike and alsike-white clover mixtures made it necessary to implement the accrued profits with additional Government funds, in order to return to the producer a guarantee of five cents per pound. The following is a report on the payments made to holders of participation certificates, relative to the 1944 crop.

<u>Kind of Seed</u>	<u>Quantity Covered by Participation Certificates (lbs.)</u>	<u>Quantity Exported (lbs.)</u>	<u>Total Profit Obtained from Export</u>	<u>Value of Par- ticipation Certificates per lb.</u>
Alsike, includ- ing Alsike and White	2,017,165	123,430	\$20,162.80	5¢
Red Clover	7,970,841	2,418,800	322,410.39	4.04¢
Alfalfa	9,905,763	5,126,040	763,167.66	7.7¢

Alfalfa, Clovers and Grass Seeds - 1945 Crop. - Under Order in Council P.C. 7/5928, the Board was authorized to guarantee to producers a return of five cents per pound on all participation certificates issued on alfalfa, alsike clover and alsike-white clover mixtures, and three cents per pound on participation certificates issued on red clover. Any net profit in excess of the guarantee payments resulting from the export of each class of seed, is to be distributed to the producers of that class of seed. This

guaranteed participation, which provides an assurance of a reasonable return to the farmer, was considered essential in order to increase production of certain forage crop seeds in Canada, vitally needed to provide the increased requirements of feed for livestock and the urgent need for seed in many countries. The Special Products Board, in order to maintain the quality and reputation of Canadian seeds abroad, purchases seed from qualified and experienced exporters, who have heretofore been in the business and are properly equipped to uniformly blend these seeds for the export market.

The following quantities of forage seeds were exported by the Board in the fiscal year ending March 31, 1946:-

	Quantity lb.	Value \$
<u>To United Kingdom -</u>		
Alfalfa	535,920	311,093.39
Alsike Clover, including Alsike and White	507,000	237,986.75
Red Clover	761,450	363,877.75
Timothy	2,029,000	206,457.30
<u>To U. K. Zone of Germany -</u>		
Timothy	220,080	22,558.20
<u>To United States -</u>		
Alfalfa, including mixtures	1,301,909	233,015.23
Red Clover mixture	10,950	3,761.33
<u>To U.S.S.R., including shipments through the Canadian Aid to Russia Fund -</u>		
Alfalfa	391,000	226,637.50
<u>To Belgium -</u>		
Alfalfa	66,150	38,532.37
Alsike Clover	108,000	49,616.30
Red Clover	255,000	112,674.00
Creeping Red Fescue	66,100	39,660.00
<u>To Denmark -</u>		
Alfalfa	254,400	148,188.00
<u>To France -</u>		
Alsike Clover	66,900	29,242.50
<u>To Netherlands -</u>		
Alfalfa	992,770	573,842.50
Alsike Clover	56,250	25,031.25
Red Clover	236,250	95,268.75
<u>To Sweden -</u>		
Alfalfa	619,980	365,538.00

(Continued)

	<u>Quantity</u> lb.	<u>Value</u> \$
<u>To Switzerland -</u>		
Alfalfa, including mixtures	269,125	115,843.00
<u>To U.N.R.R.A. -</u>		
Alfalfa	876,970	477,947.50
Crested Wheat Grass	469,078	46,907.80
Timothy	1,761,640	176,164.00
		<hr/> 3,899,863.42 <hr/>

Field Root and Vegetable Seeds. - Agreements between the British Ministry of Food and the Special Products Board for the production of various garden vegetable seeds have been continued. During the year ending March 31, 1946, the Special Products Board shipped to the British Ministry of Food, 1,535,921 pounds of vegetable seeds valued at \$616,650.30. In addition, 641,611 pounds of Field Root and Garden Vegetable seeds, with a value of \$773,353.00, were exported to the Ukraine and Byelorussia, as directed, under the assistance of UNRRA.

On order of the British Ministry of Food, the following vegetable seed production was contracted for with producers, to be delivered from the 1946 crop:

Cabbage	-	15,000 lbs.
Carrot	-	25,000 "
Lettuce	-	41,000 "
Onion	-	20,000 "
Peas	-	2,772,000 "
Radish	-	75,000 "
Vegetable Marrow	-	8,000 "

Contracts have been arranged with growers of biennial crops for seed to be delivered from the 1947 crop to the British Ministry of Food, as follows:

Carrot	-	100,000 lbs.
Onion	-	20,000 "

Other Seeds. - In Addition to those seeds already mentioned, exports by the Special Products Board for the year ending March 31, 1946, were as follows:

	<u>Quantity</u> Bushels	<u>Value</u> \$
<u>To Belgium -</u>		
Seed Barley	36,290	72,745.80
Seed Corn	20,668	105,778.42
Seed Oats	97,272	139,377.23
<u>To France -</u>		
Flax (fibre)	14,390	77,671.25
<u>To U.N.R.R.A. -</u>		
Seed Corn	44,500	132,715.55
Seed Oats	161,675	251,415.53
Seed Wheat	287,776	690,662.40
Field Peas	37,302	167,862.00
		<hr/>
		1,638,228.18

CERTIFIED SEED POTATO SECTION

This report covers the distribution and marketing of certified seed potatoes from the 1945 crop.

A new Manager for this Section was appointed in July 1945, to succeed John Tucker who retired under superannuation in July of that year. The activities of the Manager consisted principally in endeavouring to develop new export markets, and the maintenance of firm export prices approved by the Special Products Board and other relevant details.

The Board completed a contract with the Government of Uruguay, covering a total of 50,000 fifty-kilocrates, or 92,400 bushels. The quantity was allocated among eight New Brunswick exporters upon a prearranged quota basis. The price paid was \$3.80 USC per 50 kilo crate f.a.s. West Saint John, N.B., or a total of \$210,949.99. This lot was loaded on one refrigerator boat, the motorship "Tekla", which sailed for Montevideo from Saint John, N.B., carefully stowed and fully loaded, on December 6, 1945. This was a straight shipload of Katahdin variety, including approximately 30 percent small size.

The Manager was also delegated by the Agricultural Supplies Board to scrutinize all Export Permit applications covering certified seed potatoes, with a view to regulating the flow of this product to export markets, in accordance with Government policy, and to ensure that sufficient seed potatoes were kept in reserve to supply Canadian potato planting requirements for the 1946 crop.

Export shipments of certified seed potatoes from the 1945 crop, from all sources in the Dominion, up to March 31, 1946, amounted to 2,269,216 bushels made up as follows: U.S.A., 1,521,042 bushels, Cuba 311,154 bushels, Argentina 109,846 bushels, Uruguay 92,400 bushels, South Africa 91,261 bushels, Venezuela 86,511 bushels, Bermuda 20,063 bushels, West Indies 25,306 bushels, Dominican Republic 4,276 bushels, Mexico 1,263 bushels, Panama 825 bushels, Martinique 770 bushels, Newfoundland 3,750 bushels, Holland 749 bushels. As export shipments of certified seed potatoes are still continuing, it is estimated that exports from the 1945 crop will finally reach a total of about 2,500,000 bushels.

In addition, it is estimated that a total of about two and a quarter million bushels of certified seed potatoes will be shipped from the 1945 crop for use in Canada.

Certified Seed Potato Sales
by the Special Products Board

<u>Crop</u>	<u>Destina- tion</u>	<u>Quantity</u>	<u>Price</u>
1942	Uruguay	36,022 crts. @	\$2.75 per crate U. S. Currency delivered New York.
	Uruguay	<u>17,520</u> crts. @	\$2.75 per crate U. S. Currency delivered New York.
	Total -	53,542 crts. Value	\$161,964.55 Canadian currency
1943	Uruguay	40,120 crts. @	\$3.75 per crate U. S. currency delivered St. John
	Total Value -	\$160,530.15	Canadian currency
1944	Uruguay	40,002 crts. @	\$3.50 per crate U. S. currency delivered St. John
	Total Value -	\$149,387.45	Canadian currency
	France	* 167,400 sacks of 100 lbs. each @ \$3.25 per cwt.	
	Total Value -	\$544,000.00 (approx.)	shipped in March 1945.

* Approximately

1945	Uruguay	50,400 crts. @	\$3.80 per crate U. S. currency delivered St. John
	Total Value -	\$210,949.99	Canadian currency.

A P P E N D I X

ASSISTANCE TO APPLE GROWERS

NOVA SCOTIA

	<u>Expenditure</u>	<u>Recovery</u>	<u>Net</u>
1939-40	\$ 3,115,705.32	\$ 881,062.91	\$ 2,234,642.41
1940-41	2,411,015.34	1,399,204.48	1,011,810.86
1941-42	1,768,670.13	352,672.73	1,415,997.40
1942-43	2,470,239.02	474,032.29	1,996,206.73
1943-44	1,187,666.00	-	1,187,666.00
1944-45	2,182,461.00	970,850.00	1,203,611.00
1945-46	93,644.61	1,472.47	92,172.14
	<u>\$ 13,289,401.42</u>	<u>\$ 4,087,294.88</u>	<u>\$ 9,202,106.54</u>

BRITISH COLUMBIA

	<u>Expenditure</u>	<u>Net</u>
	\$ 37,641.96	\$ 2,234,642.41
	616,693.41	1,011,810.86
	311,434.37	1,415,997.40
	261,414.06	1,996,206.73
	56,002.50	1,187,666.00
	28,042.80	1,203,611.00
	<u>\$ 1,311,229.10</u>	<u>\$ 92,172.14</u>
	<u>\$ 916.92</u>	<u>\$ 9,202,106.54</u>

ONTARIO

	<u>Expenditure</u>	<u>Net</u>
	\$ 1,097.82	\$ 2,234,642.41
	3,819.10	1,011,810.86

FERTILIZERS SUBVENTIONS & FREIGHT ALLOWANCES

<u>Fiscal Year</u>	<u>Amount of Assistance</u>
1942-43	\$ 1,035,874.66
1943-44	903,298.92
1944-45	445,943.41
1945-46	437,671.01
	<u>\$ 2,822,788.00</u>

ASSISTANCE REGARDING LINE FOR SOIL AMENDMENT

<u>Fiscal Year</u>	<u>Amount of Assistance</u>
1942-43	\$ 213,282.53
1943-44	226,517.60
1944-45	217,564.55
1945-46	717,464.68
	<u>\$ 717,464.68</u>

X Figures amended since last report.

FEEDS FREIGHT ASSISTANCE

Comparison of Freight Assistance on Western grain and feed shipped to Eastern Canada and British Columbia, by fiscal years, from the inception of the policy on October 20th, 1941, to March 31st, 1945.

	October 20, 1941 to March 31, 1942				Fiscal Year - 1942-43				Fiscal Year - 1943-44			
	Grain (bus)	Millfeeds-m Screenings-s (tons)	Amount of Assistance		Grain (bus)	Millfeeds m Screenings-s (tons)	Amount of Assistance		Grain (bus)	Millfeeds-m Screenings-s (tons)	Corn (bus)	Amount of Assistance
East	23,534,006	229,835-m 38,674-s	\$ 4,090,365.88		45,643,158	588,861-m 48,225-s	\$ 9,170,355.53		107,215,843	664,834-m 42,418-s		\$ 16,127,707.25
B. C.	2,209,747	12,240-m 600-s	366,215.25		4,501,917	37,946-m 3,392-s	1,003,856.01		7,427,184	61,315-m 1,183-s	146,059	1,570,514.12
Total	25,243,753	241,875-m 39,274-s	\$ 4,456,581.13		50,145,075	626,807-m 51,617-s	\$ 10,174,711.59		114,643,027	726,149-m 43,601-s	146,059	\$ 17,698,221.37

	Fiscal Year 1944-45				Fiscal Year 1945-46				STORAGE ON WESTERN FEED GRAIN			
	Grain (bus)	Millfeeds m Screenings-s (tons)	Amount of Assistance		Grain (bus)	Millfeeds m Screenings-s (tons)	Amount of Assistance		Plan "A"			
East	83,717,950	641,215-m 60,466-s	\$ 14,254,190.12		90,002,533	610,849-m 56,089-s	\$ 14,019,142.88		1944-45	-	\$ 615,702.36	
B.C.	8,210,955	62,506-m 2,063-s	1,707,896.62		7,601,149	55,569-m 2,126-s	1,546,948.73		1945-46	-	1,274,238.95	
Total	96,928,905	703,721-m 62,529-s	\$ 15,962,086.74		97,603,682	666,418-m 58,215-s	\$ 15,566,091.66		Plan "B"			
									1943-44	-	\$ 1,292,204.12	
									1944-45	-	40,770.39	

SUBSIDY ON WHEAT USED FOR FEED

1942-43	\$ 708,315.98
1943-44	4,075,646.75
1944-45	7,666,925.84
1945-46	7,657,111.43
	\$ 20,108,000.00

AGRICULTURAL PRODUCTS SHIPPED TO THE UNITED KINGDOM

	1940	1941	1942	1943	1944	1945
	Quantity (lbs)	Quantity (lbs)	Quantity (lbs)	Quantity (lbs)	Quantity (lbs)	Quantity (lbs)
Bacon	231,000,000	425,617,941	600,013,000	675,060,840	700,620,303	408,513,461
Pork Offals	2,300,098	12,689,924	10,646,923	11,844,855	13,310,915	10,121,123
Canned Pork	-	-	6,000,000	12,695,571	33,884,253	6,518,026
Lard	-	4,400,000	-	-	8,972,544	-
Hog Casings	-	-	453,000 (bdls)	761,003 (bdls)	847,025 (bdls)	666,080 (bdls)
Beef	-	-	-	-	129,613,714	185,210,780
Ox Tails	-	-	-	-	-	808,466
	Value	Value	Value	Value	Value	Value
Total Value	\$ 61,094,000.	\$ 71,581,000.	\$ 122,148,000.	\$ 151,547,806.	\$ 194,031,963.	\$ 136,184,813.

1943

1942

1941

1940

	Quantity (lbs)	Value	Quantity (lbs)	Value	Quantity (lbs)	Value	Quantity (lbs)	Value
Cheese	93,081,238	\$ 13,009,759	115,392,071	\$ 16,595,917	142,092,573	\$ 29,392,867	114,112,763	\$ 22,822,553
Evaporated Milk	36,065,376	2,817,056	30,895,632	2,632,723	32,083,344	2,953,697	14,439,744	1,428,933

1945

1944

	Quantity (lbs)	Value	Quantity (lbs)	Value
Cheese	123,138,058	\$ 24,627,611	126,847,466	\$ 25,369,493
Evaporated Milk	14,420,832	1,445,077	33,770,016	3,384,037

Dairy Products Board

VALUE OF SHIPMENTS BY THE SPECIAL PRODUCTS BOARD
(Special Products Board - Established April 15, 1941)

PRODUCT	(Subject to Revision)		
	From 1941 Crop	From 1942 Crop	From 1943 Crop
Fresh Apples	\$2,446,561.49	-	\$1,252,713.17
Other Fruit Products	* 2,332,030.88	\$608,679.36	436,800.00
Dehydrated and Other Vegetable Products	675,577.07	1,342,882.23	4,399,184.15
Dried Beans	-	-	174,711.49
Eggs, Shell and Dried	4,074,142.88	13,158,577.35	13,985,397.49
Poultry, Dressed	-	-	93,190.96
Flax Fibre	369,143.10	2,074,795.44	2,065,767.65
Field and Garden Seeds	-	104,510.91	651,251.19
Certified Seed Potatoes	-	161,964.55	160,530.15
			694,087.45
			210,949.99
			53,931,232.64
			59,224,943.01
			23,219,566.25
			17,451,409.84
			9,897,455.42

* Includes products to the value of \$1,405,848.23 from the 1939 and 1940 crops.

PRODUCTS EXPORTED BY THE SPECIAL PRODUCTS BOARD
(Special Products Board - Established April 15, 1941)

FRUIT AND VEGETABLE PRODUCTS

From the 1939 Crop

N.S. Canned Apples	57,753 cases, 6/10's	\$71,742.95
N.S. Canned Apples	11,313 cases, 2 $\frac{1}{2}$'s	16,372.51
N.S. Evaporated Apples	1,064,200 pounds	48,316.56
		<u>\$136,432.02</u>

From the 1940 Crop

N.S. Canned Apples	525,194 cases, 6/10's	\$732,695.85
N.S. Canned Apples	108,251 cases, 2 $\frac{1}{2}$'s	243,192.70
N.S. Evaporated Apples	2,072,150 pounds	103,607.50
N.S. Dried Apple Pomace	931,106 pounds	23,659.03
B.C. SO ₂ Strawberries	2,517,960 pounds	165,679.19
B.C. SO ₂ Greengage	17,310 pounds	581.94
		<u>\$1,269,416.21</u>

From the 1941 Crop

N.S. Evaporated Apples	5,807,350 pounds	\$348,441.00
N.S. Dried Apple Pomace	2,104,334 pounds	69,612.38
B.C. Fresh Apples	1,199,990 boxes	2,106,245.24
Ont. Fresh Apples	9,579 barrels	35,921.25
N.S. Fresh Apples	101,465 barrels	304,395.00
N.S. Concentrated Apple Juice	3,982 barrels	124,181.90
B.C. SO ₂ Strawberry Pulp	2,724,710 pounds	188,600.94
B.C. SO ₂ Plum & Prune Pulp	3,615,155 pounds	161,740.12
B.C. SO ₂ Raspberry Pulp	224,000 pounds	19,049.00
B.C. SO ₂ Black Currant Pulp	128,014 pounds	14,557.31
B.C. Fresh Onions	800,000 pounds	24,000.00
Ont. Canned Tomatoes	300,000 cases	651,577.07
		<u>\$4,048,321.21</u>

From the 1942 Crop

N.S. Evaporated Apples	6,727,050 pounds	\$491,339.74
B.C. SO ₂ Strawberry Pulp	1,186,640 pounds	117,339.62
B.C. #Dehydrated Onions	527,760 pounds	383,335.64
Ont. Tomato Pulp	51,779 cases	255,005.59
B.C. Tomato Puree	28,798 4-gal. cans	64,795.50
N.S.)		
N.B.) Dehydrated Potatoes	1,718,250 lbs.	567,022.50
Ont.)		
Ont. Dehydrated Cabbage	44,040 lbs.	30,828.00
B.C.)		
Ont.) Dehydrated Carrots	56,190 lbs.	25,599.00
Ont. Dehydrated Turnips	40,740 lbs.	16,296.00
		<u>\$1,951,561.59</u>

The onions were to have been shipped fresh but owing to ocean space situation they had to be dried.

From the 1943 Crop

N.S. Evaporated Apples	2,360,000 pounds	\$436,800.00
B.C. Fresh Apples	199,998 boxes	480,788.32
N.S. Fresh Apples	160,968 $\frac{1}{2}$ barrels	771,924.85
/ Dehydrated Potatoes	7,529,910 lbs.)	
/ Dehydrated Cabbage	1,016,388 lbs.)	
/ Dehydrated Carrots	859,658 $\frac{1}{2}$ lbs.)	4,204,281.92
/ Dehydrated Turnips	725,480 lbs.)	
/ Dehydrated Beans	13,088 lbs.)	
/ Dehydrated Onions	8,000 lbs.)	
Ont. Canned Corn	1,000 cases	3,092.25
Ont. Dried Beans	49,780 bushels	174,711.49
* Canned Diced Carrots	55,738 cases	191,809.98
		<u>\$6,263,408.81</u>

/ All Provinces except Saskatchewan.

* Quebec, Ontario, Manitoba, British Columbia.

From the 1944 Crop

N.S. Evaporated Apples	5,328,700 lbs.	\$948,140.00
B.C. Fresh Apples	524,968 boxes	1,260,790.70
N.S. Fresh Apples	166,842 bbls.	827,581.95
★ Dehydrated Potatoes	8,779,629 lbs.)	
★ Dehydrated Cabbage	2,093,186 lbs.)	
★ Dehydrated Carrots	888,548 lbs.)	
★ Dehydrated Onions	62,000 lbs.)	5,764,990.34
★ Dehydrated Spinach	4,262 lbs.)	
★ Dehydrated Beets	156,580 lbs.)	
★ Dehydrated Turnips	763,170 lbs.)	
Ont. Canned Corn	1,000 cases	3,010.00
B.C. Strawberries in SO ₂	200,200 lbs.)	
B.C. Raspberries in SO ₂	1,400,000 lbs.)	276,785.51
Ont. Dried White Beans	443,170 bus.	1,607,435.62
		<u>\$10,688,734.12</u>

★ Dehydration of vegetables was carried on in all provinces except Saskatchewan.

From the 1945 Crop

B.C. Fresh Apples	719,126 boxes	\$1,721,644.72
N.S. Fresh Apples	25,126 ¹ / ₂ bbls.	139,725.17
(a) Dehydrated Potatoes	5,841,400 lbs.)	
(b) Dehydrated Cabbage	2,646,042 lbs.)	
(c) Dehydrated Carrots	324,050 lbs.)	4,424,361.99
(d) Dehydrated Turnips	423,145 lbs.)	
(e) Dehydrated Onions	3,000 lbs.)	
B.C. Raspberries in SO ₂	2,688,400 lbs.)	
B.C. Greengage Pulp	410,000 lbs.)	506,029.86
		<u>\$6,791,761.74</u>
(a) P.E.I., N.S., N.B., Ont.		
(b) N.S., Que., Ont., Man., Alta., B.C.		
(c) Que., Ont., B.C.		
(d) Que., Ont.		
(e) B.C.		

POULTRY PRODUCTS

1941 - Shell Eggs - Board	13,715,610 doz.	\$3,643,612.88
Non-Board	1,620,990 doz.	430,530.00
	<u>15,336,600 doz.</u>	<u>\$4,074,142.88</u>
1942 - Shell Eggs	4,133,460 doz.	\$1,324,943.21
- Dried Eggs	11,567,149 lbs.	11,833,634.14
1943 - Dried Eggs	11,744,000 lbs.	13,985,397.49
- Poultry	253,699 lbs.	93,190.96
1944 - Dried Eggs	27,575,763 lbs.	34,182,843.00
- Poultry - to U.K.	1,973,069 lbs.	774,007.63
- to U.S.	21,57,443 lbs. (Approx.)	6,128,220.00
1945 - Poultry - to U.S.	7,977,737 lbs. (Approx.)	2,462,000.00
- Shell Eggs	40,589,460 doz.	16,143,630.67
- Dried Eggs	17,916,680 lbs.	20,162,686.00

SEEDSFrom the 1942 Crop

(a) to the U.K.		
Alfalfa	180,120 lbs.	\$73,769.66
Corn (Comptons Early)	400 bus.	1,240.00
Flax (Bison)	150 bus.	480.00
Flax (Royal)	200 bus.	670.00
		<u>\$76,159.66</u>
(b) to the U.S.		
Alfalfa	179,770 lbs.	28,351.25
		<u>\$104,510.91</u>

From the 1943 Crop

(a) to the U.K.

Alsike	487,350 lbs.	\$174,031.01
Alsike and White	190,950 lbs.	73,515.75
Timothy	536,040 lbs.	54,944.10
Alfalfa	352,100 lbs.	187,493.22
Altaswede	60,000 lbs.	27,000.00
Crested Wheat	12 lbs.	Nil
Western Rye Grass	12 lbs.	Nil
Beans	7,641 lbs.	932.01
Lettuce	2,041 lbs.	1,853.40
Onion	36,356 lbs.	103,679.20
Radish	14,000 lbs.	5,760.00
Cauliflower	248 lbs.	3,720.00
Cucumber	75 lbs.	159.00
Corn	560 lbs.	Nil
Flax (Bison and Royal)	22,400 lbs.	2,520.00
Tree Seeds	500 lbs.	1,005.00
		<u>\$636,612.69</u>

(b) to the U.S.

Alfalfa (reject and sweet clover mix)	44,950 lbs.	14,638.50
		<u>\$651,251.19</u>

From the 1944 Crop

(a) to the U.K.

Alfalfa	534,450 lbs.	\$311,317.10
Alsike Clover (including Alsike & White)	134,400 lbs.	60,927.75
Red Clover	2,030,150 lbs.	890,466.75
Timothy	1,736,760 lbs.	176,132.50
Beet	21,635 lbs.	15,219.50
Cabbage	1,176 lbs.	2,940.00
Carrot	146,729 lbs.	122,857.90
Cauliflower	4,601.5 lbs.	62,184.00
Cucumber	945.3 lbs.	945.50
Leek	3,960 lbs.	11,205.00
Lettuce	18,838 lbs.	16,966.10
Marrow	6,479 lbs.	6,823.20
Onion	168,742 lbs.	415,718.30
Peas	1,212,012 lbs.	140,324.12
Radish	92,602 lbs.	36,331.00
Tomato	3,759.5 lbs.	22,557.00
Flax (Oil)	1,476 (bushels)	8,214.00
		<u>\$2,301,129.72</u>

(b) to the U.S.

Alfalfa (including mixture)	2,784,636 lbs.	\$1,143,636.66
Red Clover mixture	10,950 lbs.	3,761.33
		<u>\$1,147,397.99</u>

(c) to the U.S.S.R.

Alfalfa	930,625 lbs.	\$518,869.06
Brome Grass	176,000 lbs.	23,888.00
Onion	5,560 lbs.	20,040.00
Corn	280 (bushels)	798.40
		<u>\$563,595.46</u>

(d) to Belgium

Alfalfa	220,000 lbs.	\$147,244.15
Red Clover	320,100 lbs.	139,277.07
Flax (fibre)	3,680 (bushels)	35,144.16
		<u>\$321,665.38</u>

(e) to the Netherlands

Alfalfa	202,875 lbs.	\$118,174.69
Red Clover	321,600 lbs.	129,896.00
Mangel	66,100 lbs.	29,745.00
		<u>\$277,815.69</u>

(f) to UNRRA or Military Relief

Alfalfa	569,050 lbs.	\$ 308,591.50
Mangel	193,831 lbs.	87,223.95
Peas (field varieties)	2,204,250 lbs.	176,340.00
Peas (canning varieties)	110,160 lbs.	11,016.00
Carrot	22,160 lbs.	23,294.20
Onion	600 lbs.	1,618.55
Corn	112,042 (bushels)	333,321.21
		<u>\$ 941,405.41</u>

From the 1945 Crop

(a) to the U.K.

Alfalfa	449,820 lbs.	260,940.14
Alsike Clover (including Alsike & White)	446,400 lbs.	208,166.00
Red Clover (Altaswede)	216,300 lbs.	98,416.50
Timothy	1,680,000 lbs.	172,200.00

Vegetable Seeds -

Beet	35,570 lbs.	26,677.50
Cabbage	2,017 lbs.	5,042.50
Carrot	50,855 lbs.	50,855.00
Cucumber	967 lbs.	870.30
Leek	1,399 lbs.	4,197.00
Lettuce	44,215 lbs.	36,375.75
Onion	126,725 lbs.	321,922.65
Peas	1,152,947 lbs.	129,189.99
Radish	90,611 lbs.	32,263.96
Vegetable Marrow	6,670 lbs.	6,651.40
		<u>\$ 1,353,768.69</u>

(b) to U. K. Zone of Germany

Timothy	478,780 lbs.	56,189.20
Corn	9,842 (bus.)	29,526.00
		<u>\$ 85,715.20</u>

(c) to U.S.

Alfalfa (including Mixtures)	877,432 lbs.	386,837.14
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(d) to Belgium

Alfalfa	66,150 lbs.	\$ 38,532.37
Alsike	108,000 lbs.	49,616.30
Red Clover (Altaswede)	87,450 lbs.	39,789.75
Creeping Red Fescue	66,100 lbs.	39,660.00
Seed Barley	36,290 (bus.)	72,745.80
Seed Corn	20,668 (bus.)	105,778.42
Seed Oats	97,272 (bus.)	139,377.23
		<u>\$ 485,499.87</u>

(e) to Denmark

Alfalfa	474,890 lbs.	\$ 276,623.42
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(f) to France

Alsike	66,900 lbs.	\$ 29,242.50
Flax (fibre)	14,390 (bus.)	77,671.25
		<u>\$ 106,913.75</u>

(g) to Netherlands

Alfalfa	992,770 lbs.	\$ 573,842.50
Alsike	56,250 lbs.	25,031.25
Red Clover (Altaswede)	126,000 lbs.	57,330.00
		<u>\$ 656,203.75</u>

(h) to Sweden

Alfalfa	619,980 lbs.	\$ 365,538.00
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(i) to Switzerland

Alfalfa	256,675 lbs.	\$ 96,530.50
Red Clover, Medium Mixture	12,450 lbs.	2,490.00
		<u>\$ 99,020.50</u>

(j) to Canadian Aid to Russia

Alfalfa	171,000 lbs.	\$ 99,607.50
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(k) to UNRRA		
Alfalfa	969,520 lbs.	\$ 525,763.25
Crested Wheat Grass	469,078 lbs.	46,907.80
Timothy	1,761,640 lbs.	176,164.00
Field Peas	3,298,200 lbs.	247,365.00
Seed Oats	161,675 (bus.)	251,415.53
Seed Wheat	387,776 (bus.)	930,702.40
Seed Corn	44,500 (bus.)	132,715.55

Vegetable Seeds -

Beet	18,271 lbs.	12,789.70
Cabbage	5,790 lbs.	7,201.00
Carrot	140,488 lbs.	140,488.00
Corn	54,350 lbs.	9,239.50
Mangel	202,137 lbs.	80,854.80
Onion	216,575 lbs.	519,780.00
Swede	6,000 lbs.	3,000.00
		<u>\$3,034,356.53</u>
(l) To Norway		
Alfalfa	40,050 lbs.	23,329.12
(m) to Australia		
Soyabean	200 (bus.)	825.00

FLAX FIBREExports to Great Britain

<u>Processing and</u> <u>Agreement Year</u>	<u>Amounts of Flax Fibres</u> <u>(All Grades) Pounds</u>	<u>Value in</u> <u>Canadian \$</u>
1940-41	N11	N11
1941-42 (Aug.12-Sept.15,1942)	1,721,536	\$ 369,143.10
1942-43 (Complete Year)	7,571,990	1,694,851.73
1943-44 (Complete Year)	8,232,437	2,002,193.88
1944-45 (Complete Year)	5,200,608	1,204,041.16
1945-46 (Sept.15/45-June30/46)	3,604,618	1,135,935.79

Exports to United States

1941-42	N11	N11
1942-43	931,729	\$ 379,943.71
1943-44	135,792	63,593.77
1944-45	N11	N11

Total Exports

1940-41	N11	N11
1941-42	1,721,536	\$ 369,143.10
1942-43	8,503,719	2,074,795.44
1943-44	8,368,229	2,065,787.65
1944-45	5,200,608	1,204,041.16
1945-46	3,604,618	1,135,935.79

CERTIFIED SEED POTATOES

<u>Crop</u>	<u>Destination</u>	<u>Quantity</u>
1942	Uruguay	36,022 crates @ \$2.75 per crate U.S. currency delivered New York
		17,520 crates @ \$2.75 per crate U.S. currency delivered New York
	Total -	53,542 crates Value - \$161,964.55 Canadian currency
1943	Uruguay	40,120 crates @ \$3.75 per crate U.S. currency delivered Saint John
	Total Value	- \$160,530.75 Canadian currency

X

CERTIFIED SEED POTATOES (Continued)

<u>Crop</u>	<u>Destination</u>	<u>Quantity</u>
1944 - Uruguay		40,002 crates @ \$3.50 per crate U.S. currency delivered Saint John
	Total Value	\$149,387.45 Canadian Currency
- France		x 167,600 sacks of 100 lbs. each @ \$3.25 per cwt.
	Total Value	\$544,700.00 (approximately) shipped in March 1945.
1945 - Uruguay		50,400 crates @ \$3.80 per crate U.S. currency delivered Saint John
	Total Value	\$210,949.99

x Approximate.

